SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1949

No.

J. FRANK KELLER AND B. & W. INC., PETITIONERS,

vs.

JESSE E. HALL

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

INDEX

	Original	Print
Record from United States District Court for the Western District of Louisiana	1	1
Complaint	2	1
Answer of defendant J. Frank Keller	4	2
Amendment to answer of defendant J. Frank Keller	9	6
Transcript of evidence	11	8
Appearances	12	8
Offers in evidence	17	8
Testimony of Jesse E. Hall	27	9
Motion to add party defendant and ruling thereon	122	18
Testimony of Kenneth A. Wright	348	19
Jesse E. Hall (recalled)	523	23
Opinion, Porterie, J.	549	29
Findings of fact	575	47
Conclusions of law	577	49
Final judgment	578	50
Supplemental judgment	584	51
Notice of appeal	585	51
Statement of points on which appellant expects to rely	587	52
Proceedings in United States Court of Appeals for the Fifth Circuit	606	55
Argument and submission	606	55
Opinion, McCord, J.	607	56
Judgment	617	63
Petition for rehearing	618	64
Memorandum in opposition to petition for rehearing	621	66
Order denying rehearing	625	69
Clerk's certificate (omitted in printing)	626	
Stipulation as to record	627	69

JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., MAY 26, 1950.

—8451

190218

[fols. 1-2]

IN THE DISTRICT COURT OF THE UNITED STATES FOR THE WESTERN DISTRICT OF LOUISIANA, LAKE CHARLES DIVISION

Civil Action 2315

Jesse E. Hall, Plaintiff

vs.

J. Frank Keller, Defendant

United States Letters Patent 2,220,237

Complaint—Filed December 22, 1947

To the Honorable, the Judges of the District Court of the United States for the Western District of Louisiana, Lake Charles Division:

I

The jurisdiction of the Court is predicated upon the fact that this is a suit for injunctive relief, and for other related remedies, against the infringment of certain letters Patent granted by the Government of the United States, some of the acts of infringement covered by the complaint having been committed in the territory embraced by the Western District of Louisiana, Lake Charles Division, where the defendant resides and has a regular and established place of business.

II

On the 5th day of November 1940, United States Letters Patent 2,220,237 were duly and legally issued to Jesse E. Hall for improvements in a Well Cleaner.

III

Since the date of issue, November 5, 1940, plaintiff has [fol. 3] been and is still the owner of the entire right, title and interest in and to the invention and said Letters Patent.

IV

Defendant for a long time past has been and still is infringing said Letters Patent by making, selling and using

K. & W. Latch-on Centralizers embodying the patented invention, and will continue to do so unless enjoined by this Court.

V

Plaintiff has placed the required statutory notice on all stand-off centralizers manufactured and sold by him under said Letters Patent, and has given written notice to the defendant of his said infringement.

Wherefore, plaintiff demands a preliminary and final injunction against further infringement by defendant and those controlled by defendant, an accounting for profits and damages, and an assessment of costs against defendant.

(Sgd.) Gilbert H. Graham, Moss & Graham, Thomas E. Scofield, Attorneys for plaintiff.

Filed December 22, 1947, Philip H. Mouton, Clerk.

[fol. 4] IN UNITED STATES DISTRICT COURT

ANSWER OF DEFENDANT J. FRANK KELLER—Filed March 15, 1948

Now comes the defendant J. Frank Keller, and in answer to the complaint filed herein, admits, denies and alleges as follows:

I

In answer to Paragraph I, denies that any acts of infringement have been committed by said defendant within the Western District of Louisiana, Lake Charles Division, or any other place; admits the remaining allegations of said Paragraph.

II

In answer to Paragraph II, denies that the Letters Patent in suit were duly and legally issued to Jesse E. Hall; admits the remaining allegations of said Paragraph.

III

In answer to Paragraph III, denies the allegations thereof.

IV

In answer to Paragraph IV, denies the allegations thereof.

V

In answer to Paragraph V, defendant is without knowledge or information sufficient to form a belief as to the truth of the allegation that the plaintiff has complied with the aforesaid statutes, notice on all special articles as alleged therein, admits that a written notice charging infringement of said Letters Patent was received by this defendant on or about November 1, 1941.

[fol. 5] In Further Answer to the Complaint and as Affirmative Defenses Thereto, the Defendant Alleges:

VI

That Letters Patent 2,200,237, and any and all claims charged to be infringed herein, does not involve invention or anything more than the exercise of mere mechanical skill and therefore that said Letters Patent are invalid and void.

VII

That said Letters Patent 2,200,237, and any and all claims charged to be infringed, are invalid for failure to comply with the provisions of § 33 of Title 35 of the United States Code in that the application of said patent did not contain a written description of the alleged invention or discovery and of the manner of making, constructing and using the same in such full, clear, concise and exact terms as to enable any person skilled in the art or science to which said invention or discovery appertains or with which it is most nearly connected to make, construct and use the same; and in that the patentee of said patent has failed to particularly point out and to distinctly claim the parts, improvements or combinations which said patentee claimed as his invention or discovery.

VIII

That said Letters Patent 2,200,237 was and is void and of no effect in law in that the alleged invention purported to be patented thereby, and particularly each and every claim charged to be infringed, does not constitute patentable novelty or invention within the meaning of the patent laws in view of the prior state of the art and in view of what was [fol. 6] common knowledge by those skilled in the art, all prior to the date of the alleged invention of the said Letters

Patent to the applicant therefor and including but not limited to the prior state of the art as shown in the patents specified in Paragraph 18.

18

That said Letters Patent 2,220,237, and each and every claim charged to be infringed, is invalid and void because the applicant, Jesse E. Hall, was not the original and first inventor or discoverer of any material or substantial part of the thing patented and that every material and substantial part thereof and therein claimed as new, and particularly as covered in the claims charged to be infringed, was fully disclosed or described in the following patents prior to the alleged discovery or invention thereof by the applicant, or more than two years prior to his application for a patent therefor:

UNITED STATES PATENTS

Inventor	*Patent No.*	*Issued*
Ruggles	698,611	July 11, 1899
Stubbs et al.	1,282,078	Oct. 29, 1918
Taylor	1,572,331	Feb. 9, 1926
Crowell et al.	1,715,121	May 28, 1929
Steps et al.	1,775,370	Sept. 9, 1930
Irvine	1,778,830	Oct. 21, 1930

X

That the claims of said Letters Patent, 2,220,237, and particularly the claims charged to be infringed, were so [fol. 7] limited by the proceedings had in the Patent Office leading to the issuance of said patent that said claims, and each of them will be legally susceptible only of such limited interpretation, scope or meaning, that no act done or intended to be done by the defendant can be justly or lawfully held to constitute infringement of said claims, or any of them; that said applicant acquiesced in the Patent Office actions and the limitations imposed by the Patent Office in said claims and by virtue of said Patent Office proceedings is now estopped to place such an interpretation on said claims, or any of them, as will cause any of them to cover any act or acts committed by this defendant and charged to infringe.

XI

Defendant alleges that said patent 1,956,511, and particularly each and every claim charged to be infringed, is invalid because Robert H. Jackson of Whittier, California, now residing at 600 East Whittier Street in said city, in 1930 at Santa Fe Springs, California, manufactured and sold and caused to be used spiral centralizers or well cleaners embodying the invention of the claims charged to be infringed.

XII

Defendant alleges that said patent, and particularly each and every claim charged to be infringed, is invalid because Shaffer Tool Works of 900 South Fremont Avenue, Brea, California, in the years 1930 and 1931, and at Santa Fe Springs, manufactured and sold and caused to be used spiral centralizers or well cleaners embodying the invention of the claims charged to be infringed.

XIII

[fol. 8] That said Robert H. Jackson in 1930 and prior to the date of invention by Jesse E. Hall of the invention claimed in the patent in suit, and particularly in the claims charged to be infringed, invented each and every substantial part of the construction disclosed in the patent in suit and alleged to constitute invention by the plaintiff, Jesse E. Hall.

Wherefore, the defendant prays:

1. That the patent in suit, and each and every claim charged to be infringed, be held invalid and void and not infringed by this defendant.

2. That the complaint herein be dismissed with prejudice, with costs to this defendant and that this defendant have execution therefor.

3. That this defendant recover his attorney's fees expended in connection with this action in accordance with the patent statutes of the United States and the discretion of this Court.

4. That this defendant have such other relief as to the Court seems just and fit.

Dated: This 9th day of March, 1948.

Sgd. Vance Plauche, Sgd. Reginald E. Caughey, Attorneys for Defendant.

Sgd. Lyon & Lyon, Sgd. Reginald E. Caughey, Of Counsel.

(Certificate Omitted.)

Filed March 15, 1948, Philip H. Mecom, Clerk.

[fol. 9] IN UNITED STATES DISTRICT COURT

AMENDMENT TO ANSWER OF DEFENDANT, J. FRANK KELLER —Filed May 20, 1948

Now comes the defendant, J. Frank Keller, and files the following amendment to the answer heretofore filed herein by the addition of three paragraphs numbered XIV, XV and XVI, and being as follows:

XIV

That B & W, Inc., a California corporation, the manufacturer of the centralizers charged to be infringed, is the owner of an undivided one-fifth interest in and to the invention described in Hall application Ser. No. 38,891 filed September 3, 1935, and assigned by the plaintiff, Jesse E. Hall, to Samuel H. Robinson by an instrument in writing under date of May 8, 1936; that said B & W, Inc., has acquired all of the right, title and interest of said Samuel H. Robinson and of his estate in and to said invention as described and disclosed in said application; that the centralizers complained of herein as being infringed are manufactured and constructed by B & W, Inc. in accordance with the disclosures in said application Ser. No. 38,891.

XV

That the plaintiff, Jesse E. Hall, caused said application Ser. No. 38,891 to become abandoned but prior thereto filed the application of the patent in suit incorporating and including therein the invention as described in said [fol. 10] application Ser. No. 38,891; that the patent in issue describes and claims said invention of said abandoned

application Ser. No. 38,891 and B & W, Inc. has acquired all of the right, title and interest of the assignee, Samuel H. Robinson, and of his estate in and to said invention and is the owner of an undivided one-fifth interest in and to said invention as described and claimed in the patent in suit.

XVI

That B & W, Inc., is the owner of an undivided one-fifth interest in and to the patent in suit and the invention described and claimed therein by virtue of acquiring all of the right, title and interest of Samuel H. Robinson and of his estate in and to said patent and said invention; that said plaintiff, Jesse E. Hall, transferred and assigned an undivided one-fifth interest in and to said patent and in and to said invention to Samuel H. Robinson prior to April 15, 1937, and admitted the ownership of Samuel H. Robinson in and to said invention in an instrument in writing signed by the plaintiff, Jesse E. Hall, dated April 15, 1937, wherein Samuel H. Robinson and Jesse E. Hall are designated as Licensors and Coast Oilfields Supply Co. is referred to as COSCO; that said plaintiff, Jesse E. Hall, by virtue of said admission is conclusively presumed to have transferred said interest to said Samuel H. Robin-
[fol. 11] son and B & W, Inc. is conclusively presumed to be the owner of an undivided one-fifth interest in and to said invention and said patent by virtue of acquiring the interest of said Samuel H. Robinson and of his estate therein.

Sgd. Lyon & Lyon, Sgd. R. E. Caughey, Attorneys for Defendant.

It is stipulated by the parties, through their respective attorneys, that the foregoing Amendment to the Answer of J. Frank Keller may be filed and, together with the Answer heretofore filed, shall constitute defendant J. Frank Keller's Answer to the Complaint herein.

Dates: This 17th day of May, 1948.

Sgd. Moss & Graham, Sgd. Thos. E. Scofield, Attorneys for Plaintiff. Sgd. R. E. Caughey, Sgd. Plauche & Stockwell, Attorneys for Defendant.

Filed May 20, 1948, Philip H. Mecom, Clerk.

IN UNITED STATES DISTRICT COURT

UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF LOUISIANA, LAKE CHARLES DIVISION

TRANSCRIPT OF EVIDENCE

[fols. 12-16] No. 2315 Civil Action

JESSE E. HALL,

VS.

J. FRANK KELLER

Taken before the Honorable Gaston L. Porterie, May 24th, 1948.

APPEARANCES:

Moss & Graham, Lake Charles, Louisiana by Gilbert H. Graham, of counsel, attorney on behalf of the Plaintiff.

Thomas E. Scofield, 2600 Fidelity Bldg., Kansas City, Missouri, attorney on behalf of the Plaintiff.

Claude W. Lowe, attorney on behalf of the Plaintiff.

Plauche & Stockwell, Lake Charles, Louisiana, by Vance Plauche, of counsel, attorney on behalf of the Defendant.

Lyon & Lyon, 811 West 7th Street, Los Angeles, California, by Reginald E. Caughey, of counsel, attorney on behalf of the Defendant.

[fol. 17] OFFERS IN EVIDENCE

Mr. Scofield: I should like to have marked at this time and offered in evidence the file wrapper and contents of the patent in suit which is the Hall Patent, No. 2220237.

That I am offering as "Plaintiff's Exhibit C".

The Court: Any objection.

Mr. Caughey: No objection your Honor.

(Whereupon the above offered exhibit, marked "Plaintiff's Exhibit C" for identification, was filed by the Clerk.)

Mr. Scofield: You will note, your Honor, Mr. Caughey has referred to the second paragraph of the patent in suit, [fol. 18] that is, the Hall patent, No. 2220237. On the first page of the patent, second paragraph, it reads, "Another object of this mention is to provide improvements in the type of tool described and claimed in my co-pending applica-

tion, Serial No. 38891, filed September 3, 1935, entitled Casing attachment."

I am offering as "Plaintiff's Exhibit D" the file wrapper and the contents of the abandoned application which is referred to in that second paragraph and which was identified in the patent office by Serial No. 38891. That application was abandoned before issue so it never became a patent and the claims of this abandoned application were shifted into the patent in suit but none of the claims that were shifted from this abandoned application are in suit in this particular case.

The Court: That is your contention?

Mr. Scofield: That is a fact. That is, the claims we have selected here are none of the claims that are in this abandoned application.

The Court: Mr. Caughey however refers to 38891 and made mention in his statement about something he inherited there.

Mr. Scofield: I thought he made a good deal of argument there. All he contends is—*b*e bought a right in this application, but a vacant right we think because we are not suing here on anything he bought.

The Court: All right.

Mr. Scofield: And that I will ask to be marked "Plaintiff Exhibit D".

(Whereupon the above offered exhibit, marked "Plain-
[fols. 19-26] tiff's Exhibit D" for identification was filed by the Clerk.)

[fols. 27-75] JESSE E. HALL, the plaintiff, called as a witness in his own behalf, being first duly sworn, testified as follows:

Direct examination.

By Mr. Scofield:

Q. Please state your name?

A. Jesse Elmer Hall.

Q. Your residence and present occupation?

A. 808 Spring St., Weatherford, Texas, Manufacturer of oil well tools.

Q. Are you the J. E. Hall who is inventor of Patent No. 2220237?

A. I am.

Q. Are you also the applicant and inventor in invention disclosed in Serial No. 38891 offered here as "Plaintiff's Exhibit D"?

A. I am.

[fol. 76] Q. Now, in connection with this abandoned application, Mr. Hall, you made an assignment of that application, did you not, for part interest in it?

A. Abandoned application? I believe you showed me——

Q. Look at it again to be sure it is the same one I did show you.

A. It looks as if it is.

Q. That is your signature on that instrument; is it not?

A. That is correct.

Q. And that particular instrument, the Samuel H. Robinson referred to therein was an attorney in Los Angeles who you were in business relations with at that time?

A. At that time he come to me and told me——

Q. Just answer my question.

The Court: Repeat the question.

(Whereupon the last question was read.)

The Witness: I used him as my attorney.

[fol. 77] By Mr. Caughey:

Q. And you had business relations with him?

A. Yes, sir.

Q. And you made an assignment of the one-fifth interest referred to in that assignment?

A. That is right.

Mr. Scofield: I object to the question unless it is indicated as to what the one-fifth interest was in. I don't believe there was any reference as to what the one-fifth interest was in.

Mr. Caughey: The one-fifth interest is in the abandoned application, Serial No. 38891.

Mr. Scofield: With that limitation, I withdraw the objection.

Mr. Caughey: I didn't mean to go any further at this time.

Q. Mr. Robinson died?

A. Yes, sir.

Q. You found that out when you went to Los Angeles recently?

A. I found it out when I discovered what you fellows had done.

Q. And that is executed on or about the 8th of May 1936?

A. That is right.

Q. And given to Mr. Robinson?

A. Yes, sir.

Mr. Caughey: The assignment identified by the witness is offered in evidence as—the assignment of J. E. Hall, [fol. 78] dated May 8, 1946, of the invention described and claimed in Serial Application 38891, to Samuel H. Robinson and covering an undivided one-fifth interest is offered in evidence as "Defendant's Exhibit 17".

(Whereupon the above offered exhibit, marked "Defendant's Exhibit 17" for identification, was filed by the Clerk.)

By Mr. Caughey:

Q. During your business relationship with Mr. Robinson, Mr. Robinson and you entered into a licensed agreement, did you not, with Coast Oil Field Supply Company?

A. That is correct.

Q. I show you what is designated as an exclusive license agreement and call your attention to the same and particularly to the signatures appearing on page 14 which I previously showed you in Los Angeles. You recall your signature and Mr. Robinson's?

A. That is correct.

Q. And this is an agreement entered into with Coast Oil Field Supply Company?

A. That is right.

Q. And it was executed in California by you?

A. I don't recall. I was traveling and they often sent me a paper and I wouldn't want to make that statement. I couldn't state that.

Q. Mr. Robinson, did he execute it the same time you did?

A. I rather think he executed it after I did.

Q. You have no recollection?

A. I have no recollection.

[fol. 79] Q. The Coast Oil Field Supply Company was a corporation in California at that time?

A. That is right.

Q. Had a place of business in California?

A. That is right.

Q. And the centralizers covered by this agreement were manufactured in California; is that correct?

A. That is right.

Mr. Caughey: The exclusive license agreement identified by the witness is offered in evidence as "Defendant'- Exhibit 18" and more particularly identified as an agreement of April 15, 1937 by and between J. E. Hall and Samuel H. Robinson as licensors and the Coast Oil Field Supply Company, a California Corporation which is referred to as Cosco.

Mr. Scofield: I have no objection to the offer, your Honor, with the exception it be admitted with the limitation indicated in the testimony that the plaintiff does not recall whether it was executed in California or not.

The Court: All right.

By Mr. Caughey:

Q. Where were you located in 1935, Mr. Hall?

A. In 1935 I was located in Bakersfield, California.

Q. And you were working for whom at that time?

A. I was working for Mr. Hall—I had a company of my own.

Q. Where were you located in 1936?

[fol. 80] A. In 1936 I began traveling throughout the mid-continent area on behalf of the centralizer.

Q. Who were you selling the centralizers for?

A. For the WKM Company which sold the centralizers that the Cosco manufactured.

Q. Is that an abbreviation of something?

A. It is a company and the members of the company are named Koen McManus and Williams, which made the initials WKM just like B and W Incorporated did.

Q. The real name was WKM?

A. That is right.

Q. And it is your testimony you were traveling for that concern in 1936?

A. 1936 I made a lot of traveling in their behalf. In 1937, exclusive, and a part of 1938.

Q. What part of 1938 did you travel for them?

A. It was during the fall. We made several trips through the country to see how the trade was going to accept this centralizer while they were negotiating this deal.

Q. And the remainder of the year you were in California?

A. I don't recall how much of the time. I only know I was working throughout the mid-continent in 1936.

Q. In the fall of 1936?

A. Well, I was over here in the spring—I would have to refresh my memory from my records and letters as to where [fol. 81] I was. I know I was working and that is the only territory that that agreement had that you have there is the mid-continent area. It doesn't have California.

Q. As I understand your testimony, you were selling centralizers which were manufactured by Cosco; is that correct?

A. That is right, and some by myself.

Q. After WKM took over this selling Cosco then you began traveling for them; is that right?

A. That is right.

Q. How long did you continue to work for WKM?

A. I don't recall the date; as long as they sold and paid for those, I am of the opinion it was through 1938.

Q. As a matter of fact, Cosco may have continued to manufacture as late as 1939?

A. There was a time Cosco closed the doors. They had a divorce in the ownership, a man and his wife separated, and they closed the doors for a good long while and at that time WKM couldn't furnish them and they made some other arrangement to get some other type of tool and until such time as one of the sons of Cosco come back and opened up many months later, he tried to sell the centralizer himself without paying any royalty and I served him a notice of cancellation. I don't know what date I quit because I was over here in the states and headed back to California.

Q. Mr. Hall, when did you start the Houston Appliance Company?

A. Either 1939 or 1940.

Q. At the time you started the Houston Appliance Company, Cosco was still manufacturing the centralizers?

[fols. 82-90] A. They done been closed. Cosco was dissolved, or I don't know whether this man surrendered the stockholding to the boy or not, but later on it was closed definitely. While I was over here running the Houston Appliance Company, Cosco quit WKM.

Q. Did you go back to California to investigate those facts?

A. I did and I served them a notice of cancellation of the contract.

Q. Have you a copy of that notice?

A. I possibly have.

Q. Have you it here available?

A. I haven't.

Q. Have you looked for it recently?

A. No, I haven't.

Q. So you can't tell the date of that notice of cancellation?

A. No, I can't tell the date, Mr. Robinson had a copy of everything that was given him.

[fol. 91] Q. The centralizers that Cosco made; do you recall how they compare with "Defendant's Exhibit 19"? Were they built substantially the same?

A. I don't believe they ever did get a satisfactory twist of their dies. When we give them that amended agreement —they started out with a license from the abandoned application and after I made this other discovery myself over here in Texas I went back on a trip and discussed it with them. They said it might be some advantage but we have had so much hard times making our dies and at that time they weren't getting along too well anyway. They didn't know, or didn't want to take it on.

Q. As far as you know, they never made centralizers with a leading edge?

A. I don't recall their making a centralizer with a leading edge. We also give them an amended agreement on that particular part so if they wanted to make it they could but I don't believe they ever made it.

Q. When you say "we" you mean Samuel H. Robinson and yourself?

A. That is right.

[fols. 92-99] Q. And that amended agreement you refer to is in evidence as "Defendant's Exhibit 18"?

Mr. Scofield: I don't believe it is in evidence.

Mr. Caughey: In order that the record may be clear, I will at this time show the witness the earlier agreement with Cosco.

Mr. Scofield: I would prefer to have them both in.

The Court: He intends to do it.
Mr. Caughey: That is entirely satisfactory.

Q. That is your signature?
A. That is correct.
Q. And that is the first agreement you referred to?
A. Yes.
Q. And the agreement which is marked "Defendant's Exhibit 18" is the one you refer to as the amended agreement; is that correct, sir?
A. That is right.

Mr. Caughey: At this time I will put in evidence as "Defendant's Exhibit 20" the first agreement dated June 12, 1936 between the same parties.

(Whereupon the above offered exhibit, marked "Defendant's Exhibit 20" for identification, was filed by the Clerk.)

The Witness: The amended agreement was the 15th day of April 1937.

[fol. 100] Q. I wish that you would give the circumstances of this Robinson arrangement which you had with the attorney in California; to advise the Court as to what your dealings were with Robinson and the occasion of making these licenses.

A. Along in 1935 he was my civil attorney. I lived in [fol. 101] Bakersfield and he lived in Los Angeles. Something like every two or three months that I would go down and see him—he knew about the various different models and things that I was working on and he asked me what I would give him if he could find a company to manufacture this spiral centralizer. After a discussion I agreed to give him twenty percent——

Q. Of what?

A. Of the royalty that we would get from Cosco. At that time I don't know whether we filed a patent in the early application or not but——

Q. You are talking about the abandoned application?

A. I am talking about the abandoned Application. We start*ing* dealing with Cosco in the abandoned application. We drawn an agreement—at least he did, giving them an exclusive license agreement and as this matter proceeded, the application got into interference with a man by the name o*f* Steps.

Q. You refer now to the abandoned application?

A. That is right; and in order to get a cross license with the claims of interference; and he thought he might have some other patents he might need, that if we could stay out of California he would give us a cross license.

Q. Who do you refer to as "he"?

A. Mr. Steps. His cross license copy is not here—and at that time he limited us—limited Cosco—he was making the straight centralizer——

Q. Who was?

A. Mr. Steps.

Q. Did he have a patent on them?

[fol. 102] A. He has the Irvine Patent and the Berger Patent and also the patent we had in interference.

Q. And that was the Steps and Hartman Patent?

A. That is right; and he limited us to making a centralizer with a spring with no lesser pitch than this. He was sold on a straight centralizer and not a spiral. He also give us a cross license to sell in the mid-continent area and not to sell in California. The thing required many negotiations and in that early application I agreed to give Mr. Robinson a fifth of the royalty if he would collect the royalty and disburse it wherever it was needed. At that time I was over here and I had some little business that needed tending to and he would attempt to pay the money out, whatever was necessary. The agreement—the next thing I went back on one trip and I found out that Mr. Robinson and Mr. Mark Hearn, which was doing the legal work of patent attorney and a man by the name of Mr. Maxwell—which is now the B and W's attorneys had had some kind of split up and all the applications that have come from the office of Mr. Robinson which are my applications have got abandoned but there was some I didn't care anything about.

Q. They were abandoned without your authority?

A. Without my knowledge, and I went back there and asked Mr. Robinson, asked him where the recent patent office acceptances were. He says, "I don't recall having any." And he said, "Let us 'phone Maxwell and see what there is——"

Mr. Caughey: I object to it as inadmissible and hearsay.

[fol. 103] The Court: Suppose you try to give your narrative, Mr. Hall—try to give the result of things without conversation if you can. Go ahead.

The Witness: It is a fact Mr. Maxwell abandoned the application and it was abandoned on account of some failure by Mr. Robinson not being in good faith to Mr. Maxwell that I don't know the particulars of.

By Mr. Scofield:

Q. I would rather you wouldn't comment as to the reasons for these things. If you will give me the actual facts as they occurred—you say this Serial No. 38891 was abandoned without your authority?

A. That is right.

Q. Did you make any attempt to have the case restated?

A. I did.

Q. Were you successful or unsuccessful?

A. I was unsuccessful.

Q. That is the reason the case did not come to issue?

A. That is right.

Q. Is it a fact that claims that were in this abandoned application were transferred to the application which became the patent now in suit?

A. That is right.

Q. And who suggested that you include those claims from the abandoned application to the application which matured into the patent here in suit?

A. I went to a patent Attorney by the name of Maynard [fol. 104] and he said maybe it wasn't too late but we would lose those claims but we could save the application. After sending telegrams to the patent office we were turned down on the restatement.

Q. That prosecution in your attempt to revive the application appears at the back of the file history, "Plaintiff's Exhibit D"; does it not?

A. That is right.

The Court: Give the page.

The Witness: Page 41.

By Mr. Scofield:

Q. Would you refer to some of the other pages before or after page 41 and see whether or not the attempt to revive was continued on your part?

M. Caughey: May your Honor please, the document speaks for itself. I don't see any reason for going into

this testimony. The document will show in its face what the attempt was and how successful it was. I don't mind saying I have gone over that file wrapper and it was unsuccessful.

The Court: Objection overruled.

The Witness: On page 43 is where our request was turned down citing such and such a rule.

The Court: Then following this you made a new application?

The Witness: Following that—I figured perhaps that was all lost and we made this new invention and we filed on that. We figured we had enough novel features and I figured that was more novelty and had value—had more [fols. 105-121] value than all the other matter that might be in there and then we filed in there and asked for the same claims that would be filed over here and the additional claims over here.

The Court: And you were issued the present patent in suit?

The Witness: That is right. Portions of these sixteen claims in the old one and a portion in the new one.

[fol. 122] MOTION TO ADD PARTY DEFENDANT AND RULING THEREON

Mr. Scofield: Now, your Honor, in view of what has been testified to in this witness' direct examination, I request that B and W Incorporated be made an intervener and a party defendant in the present cause since they are here defending on behalf of Mr. Keller and any judgment [fol. 123] in this case should be binding upon them as well as Mr. Keller and I request that B and W Incorporated be made a defendant in the case which we are now trying.

The Court: Is there any statement from the other side?

Mr. Caughey: I don't think it is necessary to be made a defendant. It is a rule of law that if one party assumes a defense, controls a defense, then any judgment would be binding on the theory of res judicata and if any action were filed in another district that would be proper and they would be bound by the judgment but it isn't necessary at least so far as the province of this particular jurisdiction is concerned that they be made a party defendant.

If the Court desired in its findings of fact or conclusions of law to insert a statement to the effect that the record show that B and W Incorporated were controlling and as-

suming this defense, then according to legal concept they would or would not be bound by the judgment and I think that is all that would be necessary.

The Court: In a sense of justice, I think the oral motion as made by plaintiff should be granted——

Mr. Scofield: What I am anxious to have, your Honor——

The Court: I was thinking of the original complaint. I think the oral motion as granted by the court is a necessary phase of the case in order to really reach an issue with the parties involved. Particularly is that true since the B and W Incorporated practically avow the fact that is is defending the suit.

[fols. 124-347] Mr. Scofield: The motion, your Honor, is to the effect then that they be made a party defendant to the case?

Mr. Caughey: And as I understand, the motion is granted?

The Court: Yes.

Mr. Caughey: And also may we have an understanding that the answer filed by the defendant Keller will also stand for B and W Incorporated?

Mr. Scofield: That is agreeable. I might say both the answer and amended answer be made on behalf of B and W Incorporated.

The Court: Yes.

———

[fols. 348-452] KENNETH A. WRIGHT, called as a witness on behalf of the defendant, being first duly sworn, testified as follows:

[fol. 453] Mr. Caughey: Mr. Scofield, when Mr. Wright [fol. 454] was on the stand on direct I neglected to call his attention to some assignments which he saw executed——

Mr. Scofield: That is perfectly all right.

By Mr. Caughey:

Q. I show you, Mr. Wright, an assignment dated the 30th of March 1948. Do you recognize that?

A. I do.

Q. Did Mr. Berry sign that in your presence?

A. He did.

Q. And deliver it to you?

A. He handed it to me.

Q. And when was the verification placed on there that is on there now; if you know?

A. On the 19th day of May, 1948.
Q. And were you present when it was placed on there?
A. I was.
Q. And who else was present?
A. The notary, Gladys M. Evers.
Q. And who else?
A. Mr. Berry himself. I saw him sign it. I believe it is his signature.

Mr. Caughey: The assignment identified by the witness is offered as "Defendant's Exhibit 28".

(Whereupon the above offered exhibit, marked "Defendant's Exhibit 28" for identification, was filed by the Clerk.)

[fol. 455] By Mr. Caughey:

Q. I show you another assignment dated May 19, 1948, and ask you to look at that.
A. This is an assignment which Mr. Berry executed in my presence and in the presence of the notary public Gladys M. Evers whose signature appears.
Q. Did the notary make the verification in your presence?
A. She did.
Q. And was it thereafter delivered to you?
A. It was handed to me by the notary with Mr. Berry present.

Mr. Caughey: The assignment identified by the witness is offered as "Defendant's Exhibit 29".

(Whereupon the above offered exhibit, marked "Defendant's Exhibit 29" for identification, was filed by the Clerk.)

By Mr. Caughey:

Q. I show you another assignment from Olive A. Robinson to B and W Incorporated and ask you if you have seen that before?
A. I have.
Q. And whose signature, if you know, is at the bottom?
A. A person who identified herself and stated she was Olive A. Robinson.
Q. And did she sign it in your presence?
A. In the presence of a Notary Public.
Q. And who was the Notary Public?

A. Irene J. Knudsen.

[fol. 456] Q. And that was signed in your presence?

A. In my presence.

Q. And then delivered to you?

A. That is true. It was handed to me by the Notary Public after affixing her seal.

Q. I note there are some pencil notations "O.K., B. S. B.". Do you know anything about those and can you explain them?

A. I can.

Q. Will you please do so?

A. I was in Mr. Berry's office, Ben S. Berry, who was previously mentioned as the person signing the instruments previously identified. He called on the 'phone to an Olive A. Robinson and said I am sending to you an assignment of the estate's interest in this patent application and that a Mr. Wright accompanied by a Notary Public will come to your house and you are to execute it in the presence of the two people just mentioned and deliver to them the instrument when you have executed it and I will put my initials in pencil opposite the line where you are to sign and those pencil markings are where he placed his initials thereon.

Q. And when you say "he" you mean Mr. Ben S. Berry?

A. Ben S. Berry.

Mr. Caughey: Assignment identified by the witness is offered as "Defendant's Exhibit 30."

(Whereupon the above offered exhibit, marked "Defendant's Exhibit 30" for identification, was filed by the Clerk.)

By Mr. Caughey:

[fol. 457] Q. I show you another assignment dated March 30, 1948. Can you identify that?

A. This assignment was given to me by Ben S. Berry about a day or two after March 30, 1948, and was handed to me simultaneously with the instrument previously identified.

Q. And when was the verification put on there; if you know?

A. The verification was placed on here at the same time and with the same people present as the execution of the assignment previously identified and initials opposite the place where an omission had been made.

Q. Was that verification made when Mrs. Robinson was present; the notary and Mrs. Robinson together?

A. Mrs. Irene Knudson, the notary, was present Olive A. Robinson placed her initials at this place on this instrument.

Mr. Caughey: The assignment identified by the witness is offered as "Defendant's Exhibit 31".

I now offer in evidence authenticated copy in accordance with the Federal Statute—I believe it is 857 of the records of the court of the Superior Court in and for the County of Los Angeles which has been signed by the County Clerk and identified by the presiding Judge who happens to be Judge Hays, and the documents authenticated were orders covering the sale of property in the assignments and letters testamentary showing that Mr. Ben S. Berry is the duly appointed executor of the estate of Robinson.

I will offer it as "Defendant's Exhibit 32".

Mr. Scofield: As to the papers, "Defendant's Exhibits 28, 29, 30, 31 and 32" which evidently include the letters testa-[fol. 458] mentary of the deceased Samuel H. Robinson, assignments of Ben S. Berry, the Executor to B and W Incorporated of whatever rights he might have had in the abandoned application, 38891 and letters patent 2,220,237, I have no objection to the authenticity of the documents, your Honor. I do object to their relevancy and, of course, I do not accept them as passing any title whatsoever in the patent.

Mr. Caughey: Of course, that is the question, whether they pass anything in the patent, which will be a question we will take up later.

The Court: The various offers will be permitted in evidence burdened with the objection made by counsel.

(Whereupon the above offered exhibits, marked "Defendant's Exhibit 31" and "Defendant's Exhibit 32" for identification, were filed by the Clerk.)

Mr. Caughey: That is all, I believe.

Mr. Scofield: Your Honor, in checking up on my prima facie case, I find as usual there has been one or two points neglected and Mr. Caughey has kindly agreed that certified copies of the record of title in the patent in suit and the abandoned application which will be furnished can be offered and will be marked as "Plaintiff's Exhibit O".

Mr. Caughey: The patent in suit was issued to Mr. Hall and he is the plaintiff here and I will stipulate that he is the owner subject to any right that may be covered by these assignments.

Mr. Scofield: Under those conditions I won't have to furnish these copies of title records.

[fols. 459-522] Mr. Caughey: I will stipulate that.

Mr. Scofield: I suggested that, your Honor, because I have in my bill of complaint alleged that the plaintiff Hall had title and it was denied in the answer, but in view of counsel's suggestion that he will stipulate title I will——

The Court: Let the immediately passed remarks of both parties represent this stipulation of record.

[fol. 523] JESSE E. HALL, recalled as a witness in rebuttal, having previously been duly sworn, testified as follows:

Direct examination.

By Mr. Scofield:

Q. Mr. Hall, there has been offered by defendants as "Defendant's Exhibit 18" a license agreement. I will ask you if you recognize it. (Handing document to witness.)

A. I do.

Q. Have you any recollection as to where that was signed by you?

Mr. Caughey: That is objected to, if your Honor please. The witness previously stated he didn't know where.

Mr. Scofield: If your Honor please, we intend to develop, if counsel will be patient as to where this contract was actually signed and I think that we will satisfy counsel and the Court.

The Court: You can always show that inconsistency later and I would like to get through with the case, if possible. Go ahead and answer the question.

Read the question.

(Whereupon the last question was read.)

The Witness: Yes.

By Mr. Scofield:

[fol. 524] Q. How are you able now to say where it was signed?

A. After the contract was presented I went to the telephone and 'phoned two offices that I maintained to look for letters and things concerning this contract which I have found a number of letters relating to it and the letter that was mailed accompanying the contract to me.

Q. Who did you 'phone?

A. I 'phoned my son at Tulsa where I had some files. I also 'phoned my office at Weatherford where I had more files and got them to make a search and they found the letters and I had the letters brought down here yesterday.

Q. Where was the letters found?

A. The letters were found in an abandoned file that we had had and kept in Tulsa.

Q. Tulsa, Oklahoma?

A. That is right.

Q. How were the letters brought to you?

A. Attempted by airplane and got as far as—and then he came in on some other conveyance.

Q. And when was that?

A. During last evening.

Q. At what time did they reach you?

A. I got the letter about 5:00 o'clock in the morning, this morning, from my observation.

Q. I show you a letter and ask whether you can identify it?

(Handing document to witness.)

[fol. 525] A. I can.

Q. What is it, Mr. Hall?

A. This is a letter accompanying the contract sent to me by Mr. Samuel H. Robinson, Attorney, Los Angeles.

Q. I show you a file of letters among which are letters on the letterhead of Samuel H. Robinson dated April 8, 1937; a letter dated April 14, 1937; which is a three page letter—a three page letter dated April 15, 1937 and a copy of the same letter evidently sent you by Mr. Robinson at a different town; a letter dated May 18, 1937, two pages; a letter dated March 31, 1937; that is a three page letter —and a letter dated February 23, 1940 addressed to Messrs. Samuel H. Robinson and J. E. Hall dated February 23, 1940 and signed by H. Lacy Sears, on the letterhead of Cosco Oil Field Supply Company.

I will ask you if you can identify the letters and state whether or not they were the letters you received from the envelope that came in at 5:00 o'clock this morning.

A. I can.

Q. What are these letters, Mr. Hall.

A. Those are letters I received during the night from my files, correspondence from Samuel H. Robinson to myself and the letter from the Cosco Oil Field Supply Company to myself. Letters from Samuel H. Robinson are all addressed to me in the Mid-continent area which I was working and during the time of the signing of the contract.

Mr. Scofield: I request the Clerk to mark the letter dated April 29, 1937 as "Plaintiff's Exhibit R".

[fol. 526] Mr. Caughey: May your Honor please, if they are offered for the purpose of showing where the contract was signed and where the witness was, I have no objection and if the other document from Cosco is offered for the purpose of showing the contract which is in evidence as "Defendant's Exhibit 18" was cancelled, I have no objection—if that is the purpose.

Mr. Scofield: That is the purpose, your Honor.

The Court: The letters and all, outside of the exhibit "Defendant's Exhibit 18", is to verify, alter, or contradict the certain document?

Mr. Scofield: Yes.

The Court: And you say what?

Mr. Caughey: No. It is merely to show his side.

Mr. Scofield: "Plaintiff's Exhibit R" is offered in evidence.

The letter dated April 8, 1937 is offered as "Plaintiff's Exhibit S". The letter dated April 14, 1937, a three page letter, is offered as "Plaintiff's Exhibit T".

The letter and copy dated April 15, 1937, three pages, I request be stapled together and offered as "Plaintiff's Exhibit U."

The letter dated May 18, 1937, two pages, I offer as "Plaintiff's Exhibit V".

The three page letter dated March 31, 1937, I offer as "Plaintiff's Exhibit W."

The letter on the letterhead of the Cosco Oil Field Supply [fol. 527] Company dated February 23, 1940, three pages

and signed by H. Lacy Sears, I offer in evidence as "Plaintiff's Exhibit X".

That is all.

(Whereupon the above offered exhibits, marked "Plaintiff's Exhibit R through X" inclusive for identification, were filed by the Clerk.)

Cross examination.

By Mr. Caughey:

Q. I believe you previously testified relative to the operation of Cosco; you stated that in your opinion Cosco had discontinued operations in 1939 or some such time. This letter, "Plaintiff's Exhibit X" definitely fixed February 23, 1940 as the date of cancellation.

A. That was the date of cancellation but there was a Mr. Pete Smith and J. O. Harata and they both owned the company and they had a divorce with each other and closed the place in the last of 1938 or 1939 and after it went along closed for some while a man by the name of Lacy Sears tried to revive it and I think he was a son-in-law of Mr. Harata.

Q. Tell what you know.

A. That is what I know, and in 1940 it went along and made a few of our centralizers and failed to pay royalty and at that time we gave him notice of cancellation.

Q. This is the notice of cancellation from Cosco to Mr. Robinson and you?

A. That is given us in respect that it cancelled him.

Q. And insofar as this refreshes your recollection you say now the contract was cancelled on February 23, 1940?

[fol. 528] A. That is right.

The Court: Mr. Hall, were there any letters by you to Mr. Robinson among these six or eight you have received?

The Witness: Very seldom—I were traveling on the road and very seldom I could pick up a stenographer and write a letter. I mostly written my letters in longhand. There is a very few letters I wrote.

The Court: When you received this letter this morning from your file, flown over here, or brought here overnight, your file did not have a single letter of your own to Mr. Robinson?

The Witness: Not a one.

The Court: You don't write letters?

The Witness: I write letters—I think you will find where he mentions me writing a letter but I don't keep copies. Robinson's file, which is now in possession of someone else, would have the letters.

By Mr. Caughey:

Q. Mr. Hall, as I understand you, everything was in that file in Tulsa, all the letters and all the correspondence and all the documents you have brought over here and produced in court and nothing else; is that right?

A. No, sir.

Q. There were others?

A. There was others.

Q. Where is that file.

A. They only had brought pertaining to the Robinson agreement.

Q. How did that happen? Did you instruct somebody to [fol. 529] pull these letters out?

A. I instructed them to go through the files and bring the letters pertaining to the matter.

Q. And did you tell them to send the letters Mr. Robinson wrote to you?

A. I told them to get all the letters pertaining to WKM., Inc.

Q. And at the time this letter of February 23, 1940, this cancellation letter, was written you were down in Houston and you were manufacturing and selling, or at least you were having manufactured and selling centralizers like "Defendant's Exhibit 19"; is that correct?

A. I was in Los Angeles at that time.

Q. When you received that notice of cancellation? At the time the letter of cancellation was received?

A. That is right.

Q. And the Cosco we have referred to here in that contract is the same Cosco that you gave testimony on the stand about previously?

A. That is right, Coast Oil Field Manufacturing Company.

Mr. Caughey: That is all.

Redirect examination.

By Mr. Scofield:

Q. Was there anything done by you, Mr. Hall, prior to the cancellation of Cosco?

A. I gave Cosco notice of default of the contract.

Q. And why did you give them notice of default?

A. Because they hadn't kept up their agreement of [fol. 530] paying royalties and were quite some bit behind.

Q. Is it your present representation that you indicated you were cancelling the agreement before you received this cancellation?

A. That is right.

Mr. Caughey: That is objected to, may your Honor please, as not the best evidence. If there is any notice of cancellation it should be produced. This witness' testimony is secondary evidence.

Mr. Scofield: I regret to say that I do not have any of that correspondence so the best I can do is to get his statement as to what occurred.

Mr. Caughey: There is no showing it could not be found and I renew the objection.

By Mr. Scofield:

Q. Have you made a search for the cancellation which you have indicated was sent to you by Cosco?

A. I have, but recalling it was sent to Mr. Robinson my attorney, and the copy of that would be in the file of Mr. Robinson.

Mr. Scofield: That is all.

The Court: This Mr. Robinson, in my gathering of things, he was a patent lawyer and also a kind of inventor?

The Witness: No, I was the inventor. He was my attorney for several years; not a patent attorney, a regular attorney.

Recross examination.

By Mr. Caughey:

Q. He sent you a copy of that notice of cancellation; did he not?

[fols. 531-548] A. I was in his office. We were in there together. I have had or seen a copy in the office. It was

left in my file in his office which is in other hands at the present time.

Q. You contacted Mr. Berry who is Executor of the Robinson Estate in Los Angeles?

A. I did.

Q. Did you ask him to search for this letter and see if he could find it?

A. I did.

Q. Did you follow that up? Did you see him more than once? Did you check back to see if he found it?

A. I told him to give me notice as quick as he found anything.

Q. Where?

A. Weatherford, Texas.

Q. Did he say how soon he would make the search?

A. He said immediately.

Q. Did he tell you he would let you know if he didn't find it?

A. No, sir.

[fol. 549] IN UNITED STATES DISTRICT COURT

COURT'S OPINION—November 5, 1948

PORTERIE, District Judge.

The plaintiff bought the allegedly infringing device from J. Frank Keller, a resident of this District, at his place of business in this District; so follows our jurisdiction. Immediately, the manufacturer, the B. & W. Inc., by stipulation, became the real defendant and J. Frank Keller, the local dealer, went out of the suit. The device is a cement casing centralizer, used in the boring of oil wells.[1]

---

[1] There develops in the course of the boring of an oil well the necessity to cement the well bore; centralizers are mounted at intervals along the length of the casing, their location being determined by the placing of the cement column and the necessity of keeping the casing centered in the well bore. The diagram of the cement centralizer covered by the patent in suit gives further explanation of the cement centralizer or well cleaner.

At the trial, the plaintiff placed objectively his device [fol. 550] (Exhibit "E") and the infringing device (Exhibit "F") in the record.

To help in knowing what is the subject of this case and in the understanding of its issues, we place here the inventor's sketch accompanying his patent.

(Here follows 1 photolithograph, side folio 551)

Nov. 5, 1940. J. E. HALL 2,220,237

WELL CLEANER

Original Filed Jan. 6, 1937

Fig. 1.

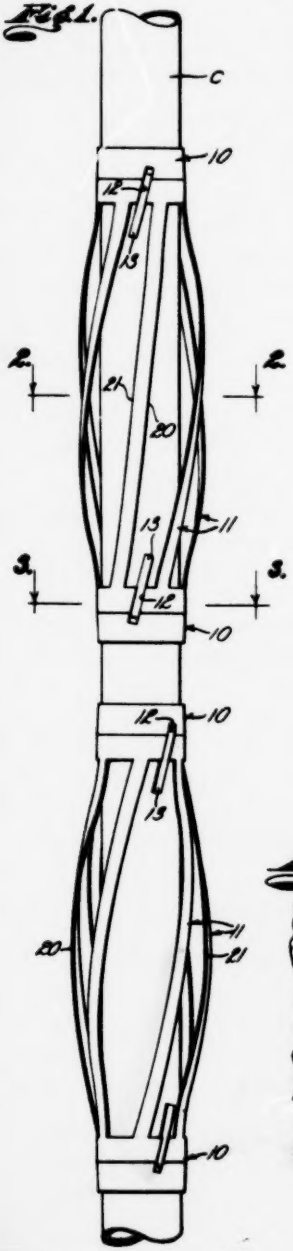


Fig. 2.

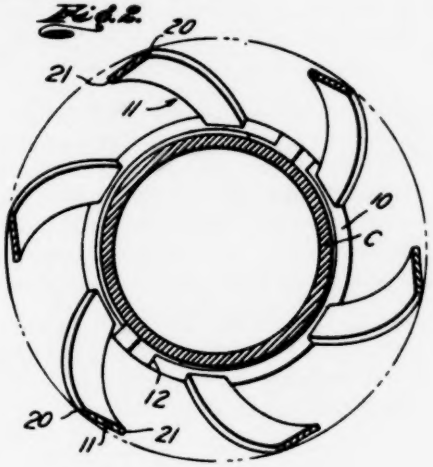


Fig. 3.

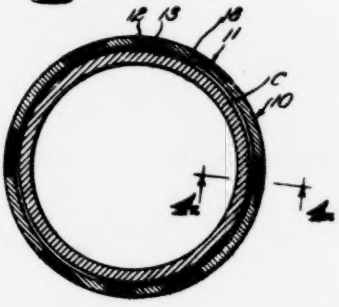


Fig. 4.

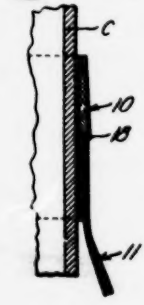
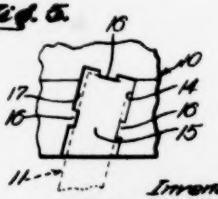


Fig. 5.



Inventor
JESSE E. HALL
By
H. H. Lafwell
His Attorney

551

[fol. 552] The plaintiff has taken three (3) of the sixteen (16) claims of his device, patent No. 2,220,237, dated November 5, 1940, and has pitched this suit thereunder, claiming infringement, and praying for injunction to follow the proof, coupled with an accounting. The claims are as follows:

"1. A well tool of the character described for use on a casing and including, spaced parts applied to the casing, and flexible members extending between and connected to said parts, said members being twisted both helically and tangentially as to the casing to each present a helical, outbowed leading edge for scraping the wall of a bore and a trailing edge that is normally clear of the wall of the bore.

"2. A well cleaner for use on a casing including, collars having free limited longitudinal movement on the casing in spaced relation, and flexible spirally curved members connecting the collars bowed outwardly to bear on the wall of the bore and twisted to scrape the said wall.

"4. A well cleaner for use on a casing including collars having limited longitudinal movement on the casing in spaced relation, and flexible members rigidly connected to the collars spiralled about the longitudinal axis of the casing, bowed outwardly between their ends and twisted [fol. 553] about their individual axes, each member having spaced, overlapping relation as to those laterally adjacent."

The principal functions and advantages of the device of the patent are set forth in plaintiff's advertising literature:

"1. To keep the casing away from the walls of the hole in order to protect the scratchers and permit the cement to completely surround the pipe.

"2. To cut a cylindrical path in tight areas to assure free pipe movement and circulation.

"3. To effectively haul the casing out of drill pipe key seats.

"4. To 'manhandle' to keep thoroughly mixed the cement slurry by turbulence produced with the spiral blades and to prevent channeling.

"5. To remove the major causes which produce sticking of the pipe.

"6. To abrade the walls of the well bore by removing mud cake thereby permitting the cement to bond more readily to the well wall.

"7. To prevent the formation of a thin layer of cement cake upon the well wall prior to congealing and solidification of the entire column."

There have been a number of devices, developed in the course of the past five (5) or six (6) years, similar in general principle to the one device sought to be protected here, as shown by the certified copy of the application of Mr. Hall in the Patent Office; however, the one new added feature in the device of plaintiff is that the spiral bowed springs (common to all previously) now have a tangential or axial twist in the blades, essential to provide leading and trailing edges. These will be seen in the figure two [fol. 554] (Fig. 2.) of the printed sketch, designated No. 20 and No. 21, respectively.

We said during the trial, after Mr. Hall had explained the details of manufacture of his device: "This is not a haphazard operation, but a meticulously arranged setting, bending, and everything."

Our conclusion from the evidence of both sides as to the prior art is that previously to the patent in suit all such devices "conformed to the bore of the hole." A conformative device is a device the bowed springs of which touch the bore of the hole without a leading or cutting edge.

The defendant, with much time and care, actually reproduced a device, under the prior art, of the conforming type and it is a physical exhibit in the case (Exhibit D-21). This device, according to the prior art, was made to conform, bow spring by bow spring, to a mandrel and then, putting the mandrel aside, the device was placed together as a whole. The fact is that, from the draftsman's figures accompanying the various devices under the prior art and from the description and the claims in the accompanying applications, no leading (cutting) and trailing (troweling) edges (Nos. 20 and 21, Fig. 2 of the patent disgram), as in figure two of the patent in suit, are drawn or described. Each bow spring at its narrow part fits perfectly, at each edge, against the circumference of the circle drawn to fit around the device (Exhibit D-21) at any point of its length. In Exhibits "E" and "F" the trailing and trowel-

ing edge does not touch the circumference of the circle so drawn.

The defendant has established that, from the various itemized descriptions of the patent in suit, the blades of [fol. 555] the device should have a cutting edge in their whole length; granting that to be true, yet the claims, as previously quoted, permit by their language a cutting edge along the whole length of the bowed spring or merely to the transverse middle line of the device; then for the other half the cutting edge is permitted to be on the other side of the same bowed spring.

The offending device and the device of the patent in suit show the same axial twist in their springs. This was proved by witnesses on both sides by the placing of a pitched gauge or ring over the device.

This axial twist of the bowed springs has been proved to be of great practical value. It makes all the difference in the world in the sale of the device. The purely cylindrical devices of the prior art have no chance in competition against the devices which have the bowed springs with the cutting and troweling edges.

Though the oil pipe with this device attached to it is not turned one way or the other when it is dropped perpendicularly, because of the fact that these bowed springs are not parallel to the pipe, the cutting edges scrape the well bore. This tends to bring about (1) a straight alignment of the pipe, and (2) leaves the pipe the same distance all around from the walls of the well bore, thus permitting the same thickness of cement to be applied around the pipe. This departure is novel, very ingenious, very helpful, and practical in oil explorations. We think the improvement is patentable. National Machine Works, Inc., et al. v. Harris, et al., 73 F. Supp. 568.

The defendant has made a very strong and thorough defense.

It has claimed that the Shaffer Tool Works, as far back [fol. 556] as 1930 and 1931, manufactured and sold spiral centralizers which embodied the construction of the accused structure. It is frankly stated that these centralizers did not have a leading edge along the entire blade. It was shown that one named Jackson had conceived, by the fall of 1930, a centralizer and that the Shaffer Tool Works,

by the use of their draftsman and their machinists, manufactured the spiral centralizer conceived by Jackson. In fact, it was shown that one was actually sold. The evidence develops a device with bowed springs that absolutely conform to a circle and, therefore, had no cutting and troweling edges.

Depositions from many witnesses, draftsmen, blacksmiths, mechanics, etc. who worked upon and brought about this device, are in the record. The manufacture of this former device is done by thorough flattening of the bowed springs over a perfectly cylindrical mandrel, leaving no biting edges to the bowed springs. The patent at issue is a material departure from this.

Defendant says all of this evidence is "solely to prevent the plaintiff from obtaining a scope for the claims which would include the accused device."

We cannot follow counsel for the defendants in his position that the witnesses Thomas and Nelson said either directly or indirectly that there was a leading edge on the Shaffer Tool Works' spiral centralizer. Our view is that clearly and definitely they stated that no additional twist of the bowed springs was made axially after the bowed spring blades had been tapped tight and made to conform to the perfectly cylindrical mandrel. From the evidence, as a whole, it is clear that a leading and trailing edge on [fol. 557] these bowed springs never entered the mind of any one concerned with or interested in this Shaffer spiral centralizer.

As an additional defense, exemplified by Exhibit D-21, a spiral centralizer was actually made in California by Mr. Wright, one of the owners of B. & W., Inc., in imitation and in duplication of the Shaffer device. Mr. Wright, a man of mechanical experience and with substantial academic training, explained the construction of Exhibit D-21, with a mandrel and other tools for the purpose.

The device placed of record, after Mr. Wright explained its construction in open court and designated it as Exhibit D-21, does not show leading edges as such. A leading edge to the bowed spring is inferred in this Exhibit D-21 when the bowed spring or blade is held at one end tight to the upper collar and at the lower end pressed over and made to fit tightly on the lower collar. This is merely a casual inference. An examination of defendants' Exhibit

D-21 does not show a resultant axial twist caused by a spiral bending of the bowed spring.

We hold that invention resides in this improvement made by plaintiff and that the statutory requirements of Section 4886 of the Revised Statutes, 35 U. S. C. A. § 31, are satisfied. We find no evidence in the record that the improvement by Mr. Hall was either known, practiced, or published prior to the date of his invention. On the point that the patent should disclose something amounting to invention, we are of the opinion that the improvement above noted displays practical inventive genius and exhibits an important commercial departure from the prior art. See, Washburn & Moen Manuf'g Co., et al. v. Beat 'Em All [fol. 558] Barbed-Wire Co., et al., 143 U. S. 275, 12 Sup. Ct. 443, 36 L. Ed. 154; Diamond Patent Co. v. S. E. Carr Co., 217 Fed. 400; National Machine Works, Inc., et al. vs. Harris, et al., 73 F. Supp. 568.

The plaintiff enters court with the patent; its validity is presumed and such presumption can only be overcome by clear and satisfactory proof. It is the rule that the burden of proving the patent in suit void rests upon the defendant; this burden the defendant has been unable, though resourceful and diligent, to carry. Donner v. Sheer Pharmacal Corporation, 64 F. (2d) 217; Wisconsin Alumni Research v. George A. Breon & Co., Inc., 85 F. (2d) 166.

The grant of patent is prima-facie evidence that the patent is for a novel and useful invention. Fairbanks, Morse & Co. v. Stickney, et al., 123 Fed. 79; Stead Lens Co. v. Kryptok Co., 214 Fed. 368; Selectasine Patents Co., et al. v. Prest-O-Graph Co., et al., 267 Fed. 840; Dovan Chemical Corporation v. Corona Cord Tire Co., 10 F. (2d) 598; Buchanan, et al. v. Wyeth Hardware & Manufacturing Co., 47 F. (2d) 704.

Where a patent was issued only after consideration by the Patent Office of the principal prior patents relied upon as anticipations in a suit for infringement, the usual presumption of validity which accompanies the grant is greatly reinforced. Foster v. T. L. Smith Co., et al., 244 Fed. 946; Smokador Mfg. Co., Inc., v. Tubular Products Co., 31 F. (2d) 255; Ensign Carburetor Co. v. Zenith-Detroit Corporation, 36 F. (2d) 684; Hartford-Empire Co. v. Obear-Nester Glass Co., et al., 71 F. (2d) 539; Stevens v. Carl Schmid, Inc., 73 F. (2d) 54.

The prior art must be interpreted from its own dis- [fol. 559] closure and is not to be aided by ex post facto wisdom. Keasbey & Mattison Co. v. Philip Carey Mfg. Co., et al., 139 Fed. 571; Loew Filter Co., et al. v. German-American Filter Co. of New York, 164 Fed. 855.

In Naylor, et al. v. Alsop Process Co., 168 Fed. 911, 920, the court said: "Prior patents are a part of the prior art only by what they disclose upon their face. If they are carried into effect in the industrial world, what is learned from that experience also becomes a part of the prior art. An expert, however, cannot take a process patent, which has never been applied industrially, and work the process in his laboratory, and discover therefrom something which is not disclosed on the face of the patent, and then transfer that experience back to the time of the patent, and make it a part of the prior art for the purpose of defeating a meritorious invention. That would be ex post facto law of the most pernicious character. Such a practice would be especially misleading in a case like the present." See, Diamond Rubber Co. v. Consolidated Rubber Tire Co., 220 U. S. 428, 31 Sup. Ct. 444, 55 L. Ed. 527.

Prior art devices cannot be aggregated in the light of a patentee's disclosure to build up an anticipation. In Webster Loom Company v. Elias S. Higgins, et al., 105 U. S. 580, 591, 26 L. Ed. 1177, 1181, Mr. Justice Bradley said:

"It is further argued, however, that supposing the devices to be sufficiently described, they do not show any invention; and that the combination set forth in the fifth claim is a mere aggregation of old devices, already well known and, therefore, it is not patentable. This argument would be sound if the combination claimed by Webster was [fol. 560] an obvious one for attaining the advantages proposed, one which would occur to any mechanic skilled in the art. But it is plain, from the evidence and from the very fact that it was not sooner adopted and used, that it did not, for years, occur in this light to even the most skillful persons. * * * At this point we are constrained to say that we cannot yield our assent to the argument, that the combination of the different parts or elements for attaining the object in view was so obvious as to merit no title to invention. Now that it has succeeded, it may seem very plain to anyone, that he could have done it as

well. This is often the case with inventions of the greatest merit. It may be laid down as a general rule, though perhaps not an invariable one, that if a new combination and arrangement of known elements produce a new and beneficial result, never attained before, it is evidence of invention." See, Weil Pump Co. v. Chicago Pump Co., 74 F. (2d) 13, 16; Electric Candy Machine Co. v. Morris, 156 Fed. 972, 976; Lewis Individible Stitch Mac. Co. v. Columbia Blindstitch Mach. Mfg. Corp., 22 F. Supp. 705.

Exhibits "E" and "F" are nearly physically identical devices; the only difference is that in Exhibit "F" the bowed springs run from collar to collar in a regular curve; in Exhibit "E" the bowed springs leave the collar with little angle, then the curve takes a much more pronounced angle and to the mid-section of the device.

They are particularly identical in the fact that the cutting edge of each blade is not all the way of the blade; when the blade reaches the midsection of the device, the cutting edge of it becomes a troweling edge to the lower collar; concurrently, the troweling edge of the upper half of the spring becomes the cutting edge in the lower half.

[fol. 561] The defendants, in checking the letters in the patent in suit, Letters Patent No. 2,220,337, have clearly shown, and that without debate, that in some part of the descriptive section the bowed spring is indicated with a cutting edge for the whole length of the blade. The plaintiff's retort to this contention is that under the reading of claims one, three and four (1, 3, and 4), aforequoted, it is very clear that the device may either be with the cutting edge on the same side and for the whole length of the blade or may change alternately from one to the other. The language would certainly authorize the two devices, Exhibits "E" and "F", with blades changing from cutting edge to troweling edge, and vice versa, at middle section of each device.

There is divergent expert opinion in the record as to whether or not, as a matter of law, the two devices would be permitted under the letters patent. We rule with the preponderant legal view that claims one, three and four (1, 3 and 4), control and that both devices, Exhibits "E" and "F", are permitted within the letters patent in suit. As a layman, we think the mechanical descriptions are merely items of illustration for the construction of the devices and are not exclusive of other mechanical situations. The lan-

guage in claim No. 1: ". . . said members being twisted both helically and tangentially as to the casing to each present a helical, out-bowed leading edge for scraping the wall of a bore and a trailing edge that is normally clear of the wall of the bore", and the language in claim No. 3: ". . . flexible curved members connection the collars bowed outwardly to bear on the wall of the bore and twisted to scrape the said wall", and the language in claim No. 4: ". . . bowed outwardly between their ends and twisted [fol. 562] about their individual axes, each member having spaced, overlapping relation as to those laterally adjacent" permit, once, twice, and thrice, the change from a cutting edge to a troweling edge on the one blade.

The language of the claims governs and the specifications (mechanical illustrations) do not limit the language of the claim. The drawings do not control as against the claims. The prior art is a governing factor in delineating and delimiting the technical words used in the letters patent; we have already developed that no axial twist of the bowed springs existed at any time under the prior art. Turrill v. The Michigan Southern Railroad Co., 68 U. S. 491, 17 L. Ed. 668; Seymour v. Osborne, 78 U. S. 516, 20 L. Ed. 33; Continental Paper Bag Co. v. Eastern Paper Bag Co., 210 U. S. 405, 28 Sup. Ct. 749, 52 L. Ed 1122; Flowers v. Magor Car Corp., 65 F. (2d) 657; Petersen v. General Seafoods Corporation, 66 F. (2d) 459.

We conclude that the specifications and claims of the patent in suit comply with the provisions of Section 4888, 35 U. S. C. A. § 33.

There is a contention made by the defendant, B. & W., Inc., that, by virtue of defendants' Exhibits D-18 and D-20, the B. & W. Inc., has interest in the invention described in the patent in suit, including the invention in the claims in issue.

Exhibit D-18 is entitled, "Exclusive Licenses Agreement", dated April 15, 1937, "by and between J. E. Hall and Samuel H. Robinson, hereinafter referred to as Licensors, and Coast Oil Fields Supply Co., a corporation organized and existing under and by virtue of the laws of the State of California, hereinafter referred to as Cosco". [fol. 563] This is an agreement with extended provisions covering some fourteen (14) typewritten pages. Hall and Robinson are jointly mentioned throughout under the in-

clusive meaning of the word "Licensors". They describe themselves as being the owners of numerous casing centering devices, giving the numbers of patents, the names of the patentees, and the dates of issuances. After naming and describing such license devices as being jointly owned or that there is joint enjoyment of license thereunder, we find the following language:

"Whereas, Licensors are the owners of those certain inventions and patent rights covered by an application for United States Letters Patent filed by J. E. Hall in the United States Patent Office on September 3, 1935, bearing Serial No. 38,891, entitled "Casing Attachment"; and that certain application for United States Letters Patent filed by J. E. Hall in the United States Patent Office on January 6, 1937, bearing Serial No. 119,246, the latter invention embodying an improvement and addition to the form and function of the casing centering devices theretofore known and employed in the art, the said improvement and addition being an under-twisting of the spiralled springs embodied in certain of said devices so that the springs so twisted will operate effectively to scrape and clean the walls of the hole, in addition to centering the casing".

It should be noted in justice *fo* the defendant, whose claims in this opinion have been refused, that many of these patents stated to be jointly enjoyed by Hall and Robinson have been all brought into play in this very case and really cover in substance all of the characteristics of Exhibits "E" and "F", except this particular and additional [fol. 564] twist axially to the several bowed springs.

Article Sixteen (16), on the last page of this Exhibit D-18, reads as follows:

"Any notices required to be given to either of the parties hereto shall be given as follows:

"To the Licensors: Samuel H. Robinson and J. E. Hall 812 C. C. Chapman Building 756 South Broadway Los Angeles, California.

"To Cosco: Coast Oilfields Supply Co. 832 East 60th Street Los Angeles, California.

"The said notices shall be deposited in the United States Mail, registered with return receipt requested, and postage thereon paid in full. The giving of notices as provided

herein shall be deemed complete upon such deposit in the United States mail."

Exhibit D-20 is similarly entitled "Exclusive License Agreement." It is by and between the same parties. The date, however, is earlier than the date of Exhibit D-18. The date is June 12, 1936. The two licensors allege that they are the owners of application for letters patent under Serial No. 38,891, dated September 3, 1935. There is absent in this Exhibit D-20 the paragraph quoted from Exhibit D-18.

Both of the Exhibits, however, have the identical language just above quoted as Article Sixteen (16); that is, the addresses given by all parties to the contract, whereto notices are to be sent by mail, are all in the state of California.

[fol. 565] Section 1962, subdivision 2, of the Code of Civil Procedure of the State of California reads as follows: "Sec. 1962. Specification of Conclusive Presumptions.

* * * * * * *

"2. The truth of the facts recited, from the recital in a written instrument between the parties thereto, or their successors in interest by a subsequent title; but this rules does not apply to the recital of a consideration."

We should say at once that the part of the language above: ". . . but this rules does not apply to the recital of a consideration" has no application to the instant case, since the issue of consideration has not been made; in truth, the consideration in the contract was obviously the granting of a patent on the one hand and the payment of royalties on the other.

The effect of the presumption is given generally noteworthy force and effect by its ready local application. See, Knoch v. Haizlip, 163 Cal. 146, 124 Pac. 998; Parter v. Funk, 185 Cal. 347, 197 Pac. 83.

The important question we have to answer is whether or not the above provisions of the Code of Civil Procedure of the state of California apply in the instant case. If they do, then the conclusive presumption that the licensors, Hall and Robinson, are the joint owners of not only the patent rights in Letters Patent No. 38,891 but of the patent rights in Letters Patent bearing Serial No. 119,246, series of 1935, which become Letters Patent No. 2,220,237, on November 5, 1940,

must be made. That means that ". . . the latter invention embodying an improvement and addition to the form and function of the casing centering devices theretofore [fol. 566] known and employed in the art, the said improvement and addition being an under-twisting of the spiralled springs embodied in certain of said devices so that the springs so twisted will operate effectively to scrape and clean the walls of the hold, in addition to centering the casing" is the property of Robinson as well as the property of Hall. It is mutually accepted that the defendant, B. & W., Inc. has proper and legal title from Robinson. Then, it would follow that the B. & W., Inc., has an interest in the patent in suit and consequently plaintiff's claim would have to be dismissed.

From 17 C. J. S. Contracts, II. What Law Governs, § 12, pp. 336-344, we find the following subheads:

"b. Intention of Parties

"In many cases the governing law of a contract is that which the parties expressly or presumably intended, provided such place has a reasonable relation to the transaction, and provided the parties in selecting the governing law acted in good faith.

"c. Place of Contract

"Many cases announce the general rule that a contract is governed by the law of the place where it was made or entered into. Some of these cases, however, except from its operation contracts which are performable elsewhere, and contracts which show an intent to have some other law govern.

"d. Place of Performance

"Many cases announce the general rule that a contract is governed by the law of the place where it is to be performed. In some cases an exception is made where a contrary intent [fol. 567] or stipulation clearly appears.

"e. Domicile of Parties

"Ordinarily the domicile of the parties is not a factor in determining the governing law of a contract."

The three rules above, first-quoted, are applicable. We shall now find the facts generally, without placing them

under any particular subhead, because many of them belong to more than one subhead.

From the evidence in this record it is disclosed that Hall was here and there in two states, Texas and Louisiana, establishing contacts for the sale of the coming Cosco device, at about the time the contract was being drawn and prepared by Robinson in Los Angeles; so, it follows that the place of contract could not be the places of his physical presence for that would furnish the laws of two states, changeable from day to day. As to the applicability of the rule as to the place of performance, if the place of the sale of the device is a place of performance, that is found to be not practical, because the contract provides for the licensing of sales ". . . throughout all parts of the United States, except the state- of California, Oregon, Washington, Idaho, Montana, Utah, Nevada and Arizona . . .". The inapplicability of this principle is immediately apparent for you would then have to pick one law from the laws of forty (40) states, for you have that many possible states as places of sale.

It is true that Hall was moving around at about the time of the signing of the licensing contract in the states of Louisiana and Texas, which are included as places of sale; but, the weight of this, in our opinion, cannot offset the actual specific giving of their permanent addresses as being [fol. 568] in the state of California and the other reasons given herein.

Determinatively, to a strong degree, the place of manufacture of the device by Cosco should be considered as the place of performance of the contract. It is not to be questioned but that the place of manufacture of the devices was the state of California.

There are sixty-seven (67) pages to the file wrapper and contents (Plaintiff's Exhibit "C") of Mr. Hall in Letters Patent, No. 2,220,237, ranging in date from the year 1935 to the year 1940. He shows, repeatedly and invariably, in these many letters as a continuous resident of the state of California, city of Los Angeles. The dates of the two "Exclusive License Agreements", Exhibits D-20 and D-18, are June 12, 1936 and April 15, 1937, respectively, during the very heart of the time that Hall was building his file wrapper to attain Letters Patent, No. 2,220,237.

As to Robinson's declared domicile and intended or actual residence, plaintiff has placed in the record the originals of

six (6) of Robinson's letters, dated between April 8, 1937, and May 18, 1937, the contents of each having reference to the Cosco contract. The heading is embossed and is in this note: "Samuel H. Robinson, Attorney at Law, 756 South Broadway, Los Angeles, Trinity 6311". This is the notice address given by Robinson in the Cosco contract. He is accepted as a Los Angeles attorney.

Their work on these devices was in the state of California. The stagesetting for the making of these devices was in the state of California. When they drew the contract their attorneys or the drafters were in the state of California. The laws of the state of California must control their [fol. 569] personal actions and statements.

Hall and Robinson were friends at that time. The inference is inescapable from the very language used in stating their joint ownership that they must have been collaborators in the improvement of these devices and are to be partners in their commercial production. Mr. Hall, knowing that without question Mr. Robinson was the co-owner of the invention and of the patent rights covered by No. 38,891 and knowing additionally that to a great degree these already-owned rights involved in substance all that he had in his Letters Patent No. 119,246, willingly agreed to their binding joint statement of ownership in the contract, as aforequoted. The consideration to Hall is that Robinson would join formally in the licensing, so that Cosco would feel safe in expending money in the commercial production. Cosco then knew from the binding statement that it would be free of hindering litigation. Mr. Hall agreed to the language of this paragraph with full or imputed knowledge that the laws of the state of California should spply. He gave his address for notice as such and, in law and in justice, he made Robinson the co-owner of the ". . . improvement and addition being an undertwisting of the spiralled springs embodied in certain of said devices so that the springs so twisted will operate effectively to scrape and clean the walls of the hole, in addition to centering the casing".

Besides, we have been ruling in favor of plaintiff, Mr. Hall, on the merits by turning very, very close corners and now, in good conscience, it would seem that this is a corner [fol. 570] that we are unable to make for him. One of the close points: Defense counsel at p. 77 of his brief says: "Furthermore a reading of the file wrapper together with

the arguments both of the patent attorney and Mr. Hall will show that the function of troweling when going into the hole and the function of scraping coming out of the hole was emphasized as peculiar to the construction of the centralizer described in the specifications. It is only when the leading edge is along the entire length of the blade that the structure will so function." But the devices, Exhibits "E" and "F" both, do not have a leading edge along the entire length of the blade. The twist is reversed at their mid-sections. It would seem that the plaintiff might be estopped by limitations imposed on him during the prosecution of the application (See File Wrapper and contents and brief of defendants) and that such limitation would prevent Hall from asserting a scope now to include the accused structure.

So, we rule in consonance with subdivision "b. Intention of Parties" as to what law governs, 17 C. J. S. Contracts § 12b, p. 336, to the effect that ". . . the governing law of a contract is that which the parties expressly or presumably intended, provided such place has a reasonable relation to the transaction, and provided the parties in selecting the governing law acted in good faith."

The laws of the state of California have a reasonable relation to the transaction because Hall and Robinson, on the one hand, and Cosco, on the other hand, were citizens of the State of California. The manufacture of the devices was the main object of the contract; that is to be in California—conclusively the real place of performance.

Though Hall was traveling about in his business, all three [fol. 571] parties were domiciled in the state of California and gave their permanent addresses in an important contract, the very one to be interpreted herein, as being in the state of California.

There is also good faith in their implied selection of the governing law. The transaction with Cosco antedates this present suit over ten (10) years. Mr. Hall profited by the application of the laws of the state of California, as he intended to profit, in that Cosco would not have entered into the contract unless the decks were cleared of molesting patent suits involving infringement.

A reading of the six (6) Letters from Robinson, invariably written from Los Angeles, to Hall, placed in the record by Hall, the plaintiff, will show that Hall had to acknowledge Robinson as a joint owner, because Cosco, with whom they

were dealing, had to have assurances of legal peace. In one of these six letters, the one dated April 15, 1947, Robinson writes, as follows:

"When Cosco first dealt with Koen there was reason for feeling considerable apprehension that Steps or some other patentee might sue. That situation has been completely changed. *We are now licensed under all the basic patents and in addition have certain important claims of our own.* The license under which Mr. Koen can now operate, places him in a position where, far from feeling that he need fear any adverse position, he is completely protected and is himself, in fact, *in a position to require others to desist from any infringement on the Hall Cleaner.*

"Backed as we are by the Burgher, Irvine, Steps and Hall patents, there is not the slightest reason in the wide world [fol. 572] why Koen should have the least fear of any litigation. If and when it should arise, an agreement with reference to it can be made at that time. After all, we have to defend our position if it becomes threatened but we should be permitted to do it in our own way. Koen is getting as much and probably more benefit out of this than anybody else and therefore should bear his corresponding part of the burden." (Emphasis ours)

So, under the three controlling principles as to what law governs in this contract, taken from 17 C. J. S., aforequoted, the laws of the state of California are the applicable laws and, consequently, the conclusive presumption applies. Hall and Robinson are co-owners of the patent in issue. After the full trial of the instant case, all relations considered, and particularly the actual "Exclusive License Agreement", we think the application of the conclusive presumption achieves substantial justice.

Pretermitting the use of the section of the Code of Civil Procedure of the state of California altogether, we are of the opinion that it was the clear intent of Mr. Hall to pass title to one-fifth (1/5th) of his invention in Letters Patent No. 2,220,237, the patent in suit. The general language of the whole contract, plus the particular language of the paragraph quoted, is clear on the point and there is left no ambiguity. What is the consideration? The consideration is just exactly what we stated before. It was that Cosco would not produce this device unless Robinson became the co-owner with Hall on the particular improvement. Cosco

did not want to put up a big money outlay to be disturbed with litigation when the device would be placed on the market for sale—litigation accompanied by injunction.

The recital clause from defendants' Exhibit D-18, afore-
[fol. 573] quoted, is clearly unambiguous; in the very first line we have, ". . . Licensors are the owners of those certain inventions and patent rights . . .", clearly in the plural; then later in the paragraph, Letters Patent No. 38,891 is one; then the second is clearly, ". . . that certain application for United States Letters Patent filed by J. E. Hall . . .", etc., ". . . bearing Serial No. 119,246," (for the sake of brevity the rest of the paragraph is not added); but the rest of the language is specifically descriptive of the very claim that we declared to be patentable and comprising the patent in suit, to wit: Letters Patent No. 2,220,237.

We should consider the reasoning of plaintiff on this issue.

The plaintiff's theory is that different patentable subjects united in one patent will not vitiate the patent, if they all relate to the same general matter or are otherwise connected; then, to follow plaintiff, a single patent may have two constructions, with a claim for each; and to follow plaintiff further, there may be a separate owner for each one of the two claims; and that is when and where we have Hall and Robinson as joint claimants of the first claim and Hall the exclusive claimant of the second claim. We grant this legal argument (and plaintiff has cited cases to support it); but that argument begs the question that is answered by the language of the recital clause, aforequoted, and that is, after this legal argument is given its full force and effect, Hall and Robinson sat down and agreed to the joint and common ownership of all the claims to satisfy Cosco, the prospective manufacturer of the device.

Next, we quote the full statement of plaintiff in his supplemental brief:

[fol. 574] "The issues in the instant case are not to be confused by predicating the invention acquired through the Robinson assignments upon the invention of the claims in suit. By those instruments defendant, B and W, Inc., obtained rights in the abandoned application and such claims of the abandoned case as were transferred into the application of the patent in suit. None of such claims were sued upon and are, therefore, not involved in this

controversy. There is a distinct line of demarcation between the claims shifted from the abandoned application and those in suit. In the claims that were transferred from the abandoned case there are covered certain structural features of a mounting which has been employed by Hall in the application of his centralizers to a casing. This mounting includes elongated pitched slots cut in the collar of the device which cooperate with lugs welded upon the periphery of the casing. The claims in suit, however, are not restricted to this type of mounting but are drawn to the invention of tangential twisting of the spiral flexible members to produce the leading or cutting edges and are not limited to any particular type of mounting except that the device shall have 'limited longitudinal movement' on the casing. Thus, it will be seen that defendants' contention that the scope of all of the claims, including those in suit, must be limited to the mounting shown is improper and is without basis in the law of claim interpretation."

The plaintiff is blowing hot and cold in this case; if we follow him in this latter position, why then he loses the case on the merits.

Moreover, the language of the "Exclusive License Agreement", aforequoted, is all inclusive. The technical differentiation sought to be made by plaintiff, granting it to be true for the sake of argument, that "none of such claims [fol. 575] were sued upon and are, therefore, not involved in this controversy", is immaterial and irrelevant. Any and all phases of any and all patent rights—particularly the effect and result of the twist of the bowed springs—were included to Cosco.

So, we now turn to the findings of fact and conclusions of law:

Findings of Fact

1. This court has jurisdiction of the subject matter and of the parties to the action.

2. Defendants had knowledge of and were given notice of infringement before the complaint was filed.

3. The controversy between the parties involves the infringement of claims one, three, and four (1, 3 and 4) of Hall patent, Letters Patent No. 2,220,237, issued November 5, 1940 to the plaintiff.

4. Said defendants are charged with infringement of said claims because of the manufacture and sale of spiral centralizers as exemplified by plaintiff's Exhibit "F".

5. The defendant, B. & W., Inc. is the real defendant in interest and has assumed the defense of the litigation and controls the same and was made a party-defendant at the trial of the cause.

6. Prior to the filing of the application of the patent in suit, the plaintiff, Hall, filed an earlier application, Serial No. 38,891, as shown by plaintiff's Exhibit "D", and said application became abandoned; prior to said abandonment the invention of said application Serial No. 38,891 was disclosed in the application of the patent in suit and said application became a continuation of said abandoned application.

[fol. 576] 7. The tangential or lateral twisting of the out-bowed guide springs bestows a degree of novelty and utility upon the well cleaner.

8. The tangential and lateral twisting of the out-bowed guide springs renders the three (3) claims in suit patentably distinct from the claims granted on the invention of the abandoned application, Serial No. 38,891.

9. None of the prior art patents cited in the answer discloses an apparatus which anticipates the inventions covered by claims one, three and four (1, 3 and 4) of the patent in suit.

10. Defendants have failed to establish a statutory bar in the prior uses of Robert H. Jackson and the Shaffer Tool Works which would invalidate the three (3) claims in suit.

11. Samuel H. Robinson of Los Angeles, California, by an assignment in writing, defendants' Exhibit D-17, acquired an interest in and to said abandoned application and the invention described therein; the defendant B. & W. Inc., by virtue of the written instruments Exhibits D-28 to D-32, inclusive, acquired all of the right, title and interest of said Samuel H. Robinson in and to said application and said invention and in and to said invention as carried over and embodied in any of the claims in the patent in suit.

12. The accused structure, plaintiff's Exhibit "F", does not include spiral springs having a tangential twist therein so that each spring has a leading edge on one side for its entire length.

13. Shaffer tool Works of Brea, California, in 1930 and 1931 manufactured spiral centralizers as exemplified by defendants' Exhibit D-21 and thereafter sold the same [fol. 577] for use in oil wells; said spiral centralizers were constructed substantially in accordance with the accused structure, plaintiff's Exhibit "F", but did not include spiral springs having a leading edge and a troweling edge.

14. The defendant, B. & W. Inc., by virtue of defendants' Exhibits D-18 and D-20, and in accordance with § 1962, subdivision 2 of the Code of Civil Procedure of the State of California, is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent in suit and as embodied in and covered by the claims in issue, and each of them.

15. The defendant, B. & W., Inc., by virtue of defendants' Exhibits D-18 and D-20, pretermitting the existence and the applicability of § 1962, subdivision 2 of the Code of Civil Procedure of the state of California, is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent in suit and as embodied in and covered by the claims in issue, and each of them.

Conclusions of Law

1. Claims one, three and four (1, 3, and 4) of United States Letters Patent No. 2,220,237, issued to Jesse E. Hall, November 5, 1940, are good and valid in law.

2. The defendant, B. & W. Inc., is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawing of the patent in suit and as embodied in and covered by the claims in issue, and each of them.

[fol. 578] 3. A final decree will be entered herein dismissing the cause of action, providing for the recovery by the defendants of their costs of suit and disbursements, in-

cluding the costs of the reporters' transcript and reasonable attorneys' fees in the discretion of the court as provided by the Patent Statutes.

Shreveport, Louisiana, November 5, 1948.
Sgd. Gaston L. Porterie, Judge.

Filed November 5, 1948, Philip H. Mecom, Clerk.

IN UNITED STATES DISTRICT COURT

FINAL JUDGMENT—December 23, 1948

This cause having come on to be heard before the Court at final hearing, witnesses having been heard, documentary and physical exhibits having been received in evidence, counsel for both parties having been heard and briefs having been filed, the Court having rendered its decision including Findings of Fact and Conclusion of Law, and the Court being advised in the premises;

It is hereby ordered, adjudged and decreed as follows:

I

That in accordance with the Findings of Fact and Conclusions of Law heretofore entered as a part of the decision of the Court, the foregoing action is hereby dismissed as [fols. 579-583] to both defendants.

II

That said defendants recover their taxable costs, including the cost of the original transcript and the depositions taken by defendants and read into evidence, in the amount of Three Hundred Fifty-Six and 90/100 Dollars ($356.90); and attorneys' fees in the amount of Twenty-Five Hundred Dollars ($2500.00) which are deemed to be reasonable.

Dated: This 23rd day of December, 1948.
Sgd. G. L. Porterie, United States District Judge.

Approved as to Form: —— ——, Attorney for plaintiff; Sgd. Lyon & Lyon, R. E. Caughey, Attorneys for Defendants.

(Recorded in Civil Order Book Vol. 6 Folio 357.)

Filed December 24, 1948, Philip H. Mecom, Clerk.

[fol. 584] IN UNITED STATES DISTRICT COURT

SUPPLEMENTAL JUDGMENT—February 22, 1949

Pursuant to the Court's decision dated February 2, 1949, upon plaintiff's "Motion to Amend Final Judgment",

It is hereby ordered, adjudged and decreed as follows:

Paragraph II of the Final Judgment shall be altered by changing the semicolon which appears after "($356.90)" to a period and delete from the paragraph the phrase "and attorneys' fees in the amount of Twenty-five Hundred Dollars ($2500.00) which are deemed to be reasonable."

[fols. 585-586] Sgd. G. L. Porterie, United States District Judge.

Approved as to form:

Sgd. Thos. E. Scofield, Attorney for Plaintiff; Sgd. Lyon & Lyon; Sgd. R. E. Caughey, Attorneys for Defendants.

Filed February 22, 1949. Philip H. Mecom, Clerk.

IN UNITED STATES DISTRICT COURT

NOTICE OF APPEAL—March 22, 1949

Notice is hereby given that the Plaintiff, Jesse E. Hall appeals to the United States Circuit Court of Appeals for the Fifth Circuit from the Decree and Final Judgment dated December 23rd, 1948, supplemented by the Decree and Judgment dated February 21st, 1949.

Sgd. Thomas E. Scofield, 2600 Fidelity Building, Kansas City, Missouri, Attorney for Plaintiff.

March 22, 1949.

Copies of the above Notice of Appeal have this day been mailed to Messrs. Lyon & Lyon, Mr. Reginald E. Caughey, 811 West 7th St., Los Angeles, California; Messrs. Plauche & Stockwell, P. O. Box 915, Lake Charles, Louisiana.

Sgd. Mina Holt, Deputy Clerk.

[fol. 587] IN UNITED STATES DISTRICT COURT

STATEMENT OF POINTS ON WHICH APPELLANT EXPECTS TO RELY—Filed June 2, 1949

The Appellant will rely upon and intends to urge the following points on appeal herein:

[fol. 588]

I

The District Court erred in adjudging that the action be dismissed as to both defendants.

II

The District Court erred in failing to enter a decree enjoining and restraining the defendants from infringement of Letters Patent 2,220,237.

III

The District Court erred in failing to enter a decree awarding plaintiff an accounting for profits and damages by reason of infringement by defendants of said Letters Patent 2,220,237.

IV

The District Court erred in adjudging that the defendant B and W, Inc., is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent in suit, and as embodied in and covered by the claims in issue, and each of them.

V

The District Court erred in not holding that B and W, Inc. acquired from the estate of Samuel H. Robinson only the one-fifth interest assigned to Robinson in the inventions of the abandoned application, Serial No. 38,891.

VI

The District Court erred in not holding that by the assignments from Samuel H. Robinson's estate and Olive A. Robinson, the widow, B and W., Inc. acquired no interest

[fol. 589] or license in the inventions defined by the patent claims in suit.

VII

The District Court erred in not holding that the defendants failed to establish by adequate evidence that the executor of Samuel H. Robinson's estate had an assignable interest in the inventions covered by the patent claims in suit.

VIII

The District Court erred in holding in effect that the license agreement, defendant's Exhibit D-18, establishes that at the time of execution thereof Samuel H. Robinson had an assignable interest in the inventions covered by the patent claims in suit.

IX

The District Court erred in interpreting the language of the license agreement, defendant's exhibit D-18, as indicating that — the time of execution of the agreement Samuel H. Robinson had an assignable interest in the inventions set forth in the claims in suit.

X

The District Court erred in not holding the language of the license agreement, defendant's exhibit D-18, too indefinite in identifying the relative interests of the licensors in the several patent applications mentioned in the recital clauses to warrant assuming that Samuel H. Robinson was at that time co-owner of the inventions covered by the application which subsequently matured into the patent in suit.

XI

[fol. 590] The District Court erred in holding in effect that in the license agreement, defendants' exhibit D-18, the plaintiff held Samuel H. Robinson out to the licensee as owner of an interest in the invention covered by the claims in suit.

XII

The District Court erred in holding in effect that the probative value and weight to be given in this action to recital clauses in the license agreement, defendants' exhibit D-18, is controlled by the laws of the state of California.

XIII

The District Court erred in holding in effect that the laws of the state of California are controlling upon the interpretation to be placed on the license agreement, defendants' exhibit D-18, in this action.

XIV

The District Court erred in not holding that the defendants failed to establish by adequate evidence that the license agreement, defendants' exhibit D-18, should be interpreted according to the laws of the state of California.

XV

The District Court erred in holding that Section 1962, Subdivision 2, of the Code of Civil Procedure of the state of California, is applicable in this cause.

XVI

The District Court erred in finding that the defendant, B and W, Inc., by virtue of defendants' exhibits D-18 and D-20 and in accordance with Section 1962, Subdi- [fols. 591-605] vision 2, of the Code of Civil Procedure of the state of California, is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent suit, and as embodied in and covered by the claims in issue, and each of them.

XVII

The District Court erred in finding that the defendant, B and W, Inc., by virtue of defendants' exhibits D-18 and D-20 pretermitting and existence and the applicability of Section 1962, Subdivision 2, of the Code of Civil Procedure

of the state of California, is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent in suit, and as embodied in and covered by the claims in issue and each of them.

Wherefore, the appellant prays that the judgment entered herein on the 23rd day of December, 1948, as amended by the supplemental judgment entered on the 21st day of February, 1949, be reversed and that a decree be entered in accordance with the prayers of the complaint herein with costs to the appellant.

Sgd. Thos. E. Scofield, 2600 Fidelity Building, Kansas City, Missouri.

(Certificate omitted.)

Filed June 2, 1949. Philip H. Mecom, Clerk.

[fol. 606] IN UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

No. 12977

JESSE E. HALL

versus

J. FRANK KELLER, et al.

ARGUMENT AND SUBMISSION—February 8, 1950

On this day this cause was called, and after argument by Thomas E. Scofield, Esq., for appellant, and Reginald E. Caughey, Esq., for Appellees, was submitted to the Court.

[fol. 607] IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

No. 12977

JESSE E. HALL, Appellant,

versus

J. FRANK KELLER, et al., Appellees

Appeal from the United States District Court for the Western District of Louisiana

OPINION—March 20, 1950

Before McCord and Borah, Circuit Judges, and Wright, District Judge

McCORD, Circuit Judge:

Jesse E. Hall, on November 5, 1940, was issued Letters Patent 2,220,237 on application Serial No. 119,246, filed January 6, 1937, for a device used to clean the walls of oil wells. The function of the device, or centralizer, is to clean from the walls of oil wells mud and other irregularities, and to condition the walls by exposing the formation, to the end that a better bond may be had with cement [fol. 608] when it is placed around the casing. The device also holds the casing centrally in the hole or well, and thereby permits a more even and uniform distribution of the cement which surrounds the pipe.

On December 22, 1947, Hall brought this suit against J. Frank Keller, et al., seeking injunctive relief and damages for an alleged infringement of the above patent. The defendant, Keller, operates a place of business at Iota, Louisiana, under the name of Keller Oilfield Specialties, and among the tools offered by him for sale is also a device for cleaning and conditioning the walls of oil wells manufactured by B and W, Inc., of Long Beach, California. This is the accused device which Hall alleges is infringing his patent. B and W, Inc., as the manufacturer and real party in interest, has intervened, and on motion was made party defendant to this suit. Keller has been eliminated from the action except as a nominal defendant.

On September 3, 1935, Hall sought to obtain letters patent on an earlier application Serial No. 38,891, covering a predecessor device of the patent in suit, but either through neglect of his attorney, or because of insufficient description in the application, a patent was never issued thereon, and this application was finally abandoned. On January 6, 1937, certain allowed claims of this first application, Serial No. 38,891, were incorporated and filed in a new application, Serial No. 119,246. This second application was later approved by the Patent Office, and Letters Patent 2,220,237, or the patent in suit, were finally issued thereon on November 5, 1940.

[fol. 609] During the years 1936 and 1937, an attorney named Samuel H. Robinson, of Los Angeles, California, was employed by Hall to render legal services in connection with the promotion of his inventions. On May 8, 1936, Hall assigned Robinson a one-fifth interest in his application Serial 38,891, the application which was subsequently abandoned. On June 12, 1936, Hall and Robinson, as joint owners of this early application, licensed the Coast Oil Fields Supply Company, a California corporation, to manufacture, sell and use the well cleaner or centralizer covered by this application. At that time the second application, Serial No. 119,246, had not been filed. On April 15, 1937, about three months after the filing of the second application, Hall and Robinson entered into a supplemental license agreement with the same California company, granting it certain additional rights under this new application.[1] This

---

[1] One of the clauses of this supplemental license agreement reads:

"Whereas, Licensors are the owners of certain inventions and patent rights covered by an application for United States Letters Patent filed by J. E. Hall in the United States Patent Office on September 3, 1935, bearing Serial No. 38,891, entitled, 'Casing Attachment'; and that certain application for United States Letters Patent filed by J. E. Hall in the United States Patent Office on January 6, 1937, bearing Serial No. 119,246, the latter invention embodying an improvement and addition to the form and function of the casing centering devices theretofore known

supplemental license agreement expressly limited sales of the Hall device by the California company to certain defined territory, and it is without dispute that it was granted primarily as a concession to the company to protect it from infringement suits under patents which might later issue on these applications. Thereafter, the first application was abandoned, and the patent here before us was granted on the second application, Serial No. 119,246, over five years after the first application was filed.

[fol. 610] The Coast Oil Fields Supply Company manufactured and sold the Hall centralizers covered by the old abandoned application for some time after the license agreements were executed, but due to various difficulties, financial and otherwise, never manufactured or sold the improved device covered by the second application. After the death of one of its owners, the Company went out of business and the license agreements were cancelled. Robinson also died sometime thereafter. In the meantime, Hall had begun to manufacture and sell his centralizer to the owners and operators of oil wells in Texas and throughout the country. His business began to prosper and grow. B and W, Inc., the defendant, thereafter began to manufacture and sell the accused device out in California, and its business increased until it finally came into direct competition with Hall, whereupon Hall brought this suit for infringement. Several months after the present suit was filed, and after B and W, Inc., had notice of Hall's complaint of infringement, it purchased from Ben S. Berry, as executor of the estate of Samuel Robinson, and from Robinson's widow, such interest as Robinson owned in Hall's abandoned application, Serial No. 38,891, and any interest Robinson or his widow might have had in Serial No. 119,246, the application upon which the patent in suit was issued.

---

and employed in the art, the said improvement and addition being an undertwisting of the spiralled springs embodied in certain of said devices so that the springs so twisted will operate effectively to scrape and clean the walls of the hole, in addition to centering the casing, * * * " Nowhere does the agreement set out or disclose the exact interest of Robinson, if any, in the second application, or how it arose.

The principal question before us is whether, under the license agreements and the purchase of the claimed interest in this patent from Robinson's estate, the defendant, B and W, Inc., has acquired any interest in the Hall patent which would justify the action of the trial court in dismissing this suit.

[fol. 611] This case stands out separate and apart from the ordinary patent suits to be found along the legal highways. Appellees here invoke the usual defenses of noninfringement and invalidity of the patent in suit, and earnestly contend that the Hall patent is worthless and a nullity for the reason that it is throttled and destroyed by prior patents in the art. They marshal these prior patents and parade them before us along with the patent in suit, as exhibits in the case, and in an effort to show us there is no invention in the Hall device. Finally, realizing that they may fail in their attempt to invalidate the Hall patent, and that they may be found to have infringed it, they set up as a defense the evidence of their having acquired an assignment of an alleged interest in the Hall patent from the Robinson estate, which was admittedly obtained after this suit for infringement was filed, and long after defendant had been informed that it had no right to manufacture or sell the accused device.

We have grave doubts whether, in the absence of a cross appeal raising such issues, appellees may now properly assert the defenses of noninfringement and invalidity of the Hall patent. Here, so far as the record reveals, there has been no appeal from the decision of the trial court on these issues. To the contrary, the judgment brought before us for review appears to be restricted solely to the question of whether B & W, Inc., has any interest in the patent before us. We consider it well settled that in the absence of a cross appeal a party cannot require a federal appellate court to consider or pass upon rulings against him in the trial court, but that he will normally be heard only in [fol. 612] support of the rulings appealed from. *Morley Construction Co.* v. *Maryland Casualty Co.*, 300 U. S. 185; *Arkansas Fuel Oil Company* v. *Leisk, et al.*, 133 F. 2d 79. However this may be, we have carefully considered these defenses, and the record evidence alleged to substantiate them, and find them wholly without substance or merit.

A careful examination of the voluminous record, along with the exhibits in the case, leads us unerringly to the conclusion that the Hall patent is valid, and that the accused device of appellees infringes it. *Donner* v. *Sheer Pharmacal Corp.*, 64 F. 2d 217; *Fairbanks, Morse & Co.* v. *Stickney et al.*, 123 Fed. 79; *Buchanan et al.* v. *Wyeth Hardware & Mfg. Co.*, 47 F. 2d 704; *Stevens* v. *Carl Schmid, Inc.*, 73 F. 2d 54; *Cantrell* v. *Wallick*, 117 U. S. 689, 694; *Cochrane* v. *Deener*, 94 U. S. 780, 787; *Temco Co.* v. *Apco Co.*, 275 U. S. 319, 328.

The trial court erred, however, in dismissing this suit because of the claimed interest of appellees in the Hall patent. While the record shows that B and W, Inc., by virtue of the assignment from the Robinson estate, acquired the one-fifth interest assigned by Hall to Robinson in the abandoned application, Serial No. 38,891, it becomes manifest that the claims transferred from that first application in no wise warrant or justify any interest in the particular claims of the patent in suit. The device of patent 2,220,237, or the patent issued on application Serial 119,246, differs materially from the device of the abandoned application, in that the blades or bowed members extending between the collars are twisted longitudinally on their axes to impart to them a cutting edge, whereas the tool of the abandoned application, Serial No. 38,891, merely had spiral bowed strips with-[fol. 613] out the tangential or axial twist in the blades. This difference is reflected in the express language of the patent claims here involved.[2] It thus conclusively appears

---

[2] Pertinent portions of Claims 1, 3 and 4 of the patent in suit read as follows:

Claim 1—"* * * flexible members extending between and connected to said parts (collars), said members being twisted both helically and tangentially as to the casing to each present a helical, out-bowed leading edge for scraping the wall of a bore and a trailing edge that is normally clear of the wall of the bore.

Claim 3—"* * * flexible spirally curved members connecting the collars, bowed outwardly to bear on the wall of the bore and twisted to scrape the said wall.

Claim 4—"* * * flexible members rigidly connected to the collars spiralled about the longitudinal axis of the cas-

that the claims numbered 1, 3 and 4 were not among those transferred from the early abandoned application, Serial No. 38,891, but were for a *separate and distinct invention.* Moreover, nowhere in the record is there to be found an assignment to Robinson of any interest whatever in the second Hall application, Serial 119,246, upon which the patent before us was issued. We conclude, therefore, that Robinson's one-fifth interest in the abandoned application gave neither him nor his estate any interest in the claims of the patent in suit, and that B and W, Inc., acquired no such interest under and by virtue of the assignment. This holding is in accord with decisions to the effect that the claims of a patent are separable and distinct, each defining a separate invention and each treated in law as a separate grant. *Hogg* v. *Emerson,* 6 How. 437; *Stimpson* v. *Woodman,* 10 Wall. 117; *Steinmetz* v. *Allen,* 192 U. S. 543; see also, Title 35 USCA, Section 33; *Application of Wood,* 155 F. 2d 547; *Ruben* v. *Ariston Laboratories,* 40 F. Supp. 551.

[fol. 614] Pretermitting the question of whether the license agreements had been cancelled prior to the acquisition of the alleged interest in the patent thereunder from the Robinson estate, we further hold that in the absence of an independent assignment to Robinson of an interest in the second Hall application, the mere language of the supplemental license agreement that Hall and Robinson were owners of the rights under both applications was insufficient to transfer any interest to Robinson in the claims of the patent in suit. It is without dispute that Hall was required to join in this supplemental license agreement as evidence of his good faith, and solely as a concession to the Coast Oil Fields Supply Company, which was unwilling to undertake the manufacture and sale of the improved Hall centralizer until it received this assurance that it would be free from legal entanglements in the form of infringement suits. While

---

ing, bowed outwardly between their ends and twisted about their individual axes, each member having spaced, overlapping relation as to those laterally adjacent."

The claims transferred to the patent in suit from the early abandoned application, Serial 38,891, unlike the above claims of the Hall patent, relate primarily to the method of mounting the centralizer device on its casing, and are not here involved.

this concession may have been sufficient consideration to support the license and agreement to manufacture the device as between Hall and the California company, we find no consideration whatever moving from Robinson to Hall sufficient to support the alleged transfer of an interest in the second Hall application, from which the patent here found life. We think that any interpretation placed upon the recital clause of this supplemental license agreement which gives it that effect is clearly erroneous, for it reads into the language an interest in Robinson which never existed, and one which would impose a blight upon the Hall patent in the form of an unwarranted grant or transfer of interest never contemplated or intended by the parties. See *Kearney* v. *Lehigh Val. R. R. Co.*, 27 Fed. 699, 701; *Waterman* v. *Mackenzie*, 138 U. S. 252; Walker on Patents (Deller's Ed.), p. [fol. 615] 1404. Furthermore, if the language used is reasonably subject to such interpretation, it is clearly ambiguous, and resort may be had to parole evidence to ascertain the true intention of the parties concerning the purpose and intended effect of this second license agreement. In this connection, the record reveals without dispute that Robinson's interest in the second Hall application was solely in the royalties to be collected from the California company under the license contracts. The patent in question was issued by the Patent Office to Hall alone, and there is no evidence whatever that Robinson ever claimed any interest in the second Hall application other than in the royalties during his lifetime, or that Hall ever intended to pass any interest therein under the supplemental license agreement. It should not be so construed. *Osborne* v. *Endicott*, 6 Cal. 149; *Hamill et al.* v. *Moore*, 194 La. 486; *Perkins* v. *Maiden*, 57 Cal. App. 2d 46; *Crisp County, Ga., et al.* v. *S. J. Groves & Sons Co.*, 73 F. 2d 327; *Higgins* v. *California Petroleum and Asphalt Co.*, 109 Cal. 304; *Lowell* v. *Lowell*, 185 Ia. 508; *Schupphaus* v. *E. I. Du Pont Powder Co.*, 204 Fed. 624; 32 C. J. S., Sec. 862, p. 796; 129 A. L. R., p. 673.

We find no merit in the contention that because of the alleged commingling of claims in the patent applications this suit for infringement cannot be maintained. The equitable principle relied upon, that one who commingles and confuses goods of another with his own forfeits his sole ownership in his goods, requires that the goods be inextric-

ably mingled, and also that the confusion be willfully done with a fraudulent intent or purpose. Such is not the case [fol. 616] here. See *Hentz et al.* v. *The Idaho*, 93 U. S. 575; *French* v. *Robins*, 172 Cal. 670; *U. S. Colloid Mill Corp.* v. *Myers et al.*, 6 Fed. Supp. 283. Nor is appellant bound by any conclusive presumption under the California statute,[3] so as to be estopped from disclaiming the alleged interest of appellee, B and W, Inc., in the patent in suit. *Gas Appliance, Inc.* v. *W. D. Bastian Mfg. Co.*, 87 Cal. App. 301, 306; *Osborne* v. *Endicott*, 6 Cal. 149; *U. S.* v. *Golden*, 34 F. 2d 367; *Wagoner* v. *Blume*, 71 Cal. App. 2d 94; *Richard* v. *Cain*, 168 La. 608; *Commercial Germania Trust and Savings Bank* v. *White*, 145 La. 54; *Smith* v. *Chappell*, 177 La. 311.

The judgment is modified so as to hold that appellee, B and W, Inc., has no right, title or interest in the particular claims of the patent in suit; that the Hall patent is valid, and that the accused device of appellees constitutes an infringement upon it sufficient to justify injunctive relief. Accordingly, the defendant is hereafter enjoined from the manufacture and sale of the accused device, and from further infringing the patent of Jesse E. Hall. No damages are allowed, but costs will be taxed in full against appellees.

The judgment, as modified, is hereby affirmed.

Modified and affirmed.

[fol. 617] No. 12977

JESSE E. HALL

versus

J. FRANK KELLER, et al.

JUDGMENT—March 20, 1950

This cause came on to be heard on the transcript of the record from the United States District Court for the Western District of Louisiana, and was argued by counsel;

---

[3] Section 1962, Subdivision 2, of the Civil Code of California, which provides for a conclusive presumption as to "The truth of the facts recited from the recital in a written instrument between the parties thereto or their successors in interest by a subsequent title; but this rule does not apply to the recital of a consideration."

On consideration whereof, it is now here ordered and adjudged by this Court that the judgment of the said District Court in this cause be, and the same is hereby, modified so as to hold that appellee, B and W, Inc., has no right, title or interest in the particular claims of the patent in suit; that the Hall patent is valid, and that the accused device of appellees constitutes an infringement upon it sufficient to justify injunctive relief. Accordingly, the defendant is hereafter enjoined from the manufacture and sale of the accused device, and from further infringing the patent of Jesse E. Hall. No damages are allowed, but costs will be taxed in full against appellees, and as so modified, that said judgment be, and it is hereby affirmed;

It is further ordered and adjudged that the appellees, J. Frank Keller, and others, be condemned, in solido, to pay the costs of this cause in this Court, for which execution may be issued out of the said District Court.

[fol. 618] IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

[Title omitted]

PETITION FOR REHEARING BY APPELLEES—Filed April 10, 1950

To the Judges of the Court of Appeals for the Fifth Circuit:

The appellees, J. Frank Keller and B & W, Inc., respectfully petition Your Honors to grant a rehearing in this cause for the reasons hereinafter set forth.

The court in its opinion of March 20, 1950 modified the judgment of the trial court to hold that appellee B & W, Inc. had no right, title or interest in the particular claims of the patent in suit. This court also held that the inclusion of claims in the patent in suit, in which the appellee B & W, Inc. had an admitted interest, did not prevent the appellant from maintaining the action.

[fol. 619] The trial court based its judgment of dismissal upon findings 14 and 15 [R. 577] which held that B & W, Inc., was the owner of an interest in and to the inventions of the claims in issue because of the conclusive presump-

tion provided by § 1962, subdivision 2, of the Code of Civil Procedure of the State of California.

The trial court also held in finding of fact 11 [R. 576] that the appellee B & W, Inc. acquired an interest in and to the abandoned application 38,891, plaintiff's exhibit D, including the invention described therein. The invention of said abandoned application is embodied in claims 9 to 16, inclusive, of the patent in suit. The interest of B & W, Inc. in and to said claims is admitted by appellant in his opening brief on appeal, pp. 10 and 11, which states:

> "Since the claims in the abandoned application were transferred to and became a part of the patent in suit before it issued, appellant does not contest B & W's interest in the invention defined by such claims."

The appeal from the judgment of dismissal was based upon the contention that the trial court erred in applying the conclusive presumption provided for in Code § 1962, subdivision 2. Appellees resisted said appeal, contending that the trial court did not so err and also contending, pursuant to finding of fact 11 and the admitted interest of B & W, Inc. in claims 9 to 16, inclusive, that as a matter of law the appellant was unable to maintain the action. This court [fol. 620] held against both of said contentions of appellees and the modification of the judgment by this court results as a matter of fact in a reversal of the judgment below.

The grounds upon which your petitioners respectfully request a rehearing are as follows:

1. That the established law, and particularly that set forth in *Gayler et al. v. Wilder,* 13 L. Ed. 504, 10 How. 477, and *Pope Mfg. Co. v. Gormully & Jeffery Mfg. Co.,* 36 L. Ed. 423, 144 U. S. 248, when applied to the established facts does not support the opinion of this court that the appellee B & W, Inc. does not have such an interest in the patent in suit as will prevent the appellant from maintaining the action.

2. That this court has failed to correctly apply the law of the State of California in considering the effect of the conclusive presumption provided for in § 1962,

subdivision 2, of the Code of Civil Procedure of the State of California.

This petition for rehearing is being filed pursuant to the provisions of Rule 29 of the Rules of the United States Court of Appeals for the Fifth Circuit enacted July 1, 1945.

[fol. 621] IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

No. 12977

[Title omitted]

MEMORANDUM IN OPPOSITION TO APPELLEES' PETITION FOR REHEARING—Filed April 12, 1950

I

Appellees petition this Court to reconsider its judgment on the ground that the Court did not understand appellees' position, and that the Court fell into error on the law (see Pet. p. 8).

1. Appellees contend that because of the transfer of the claims from the abandoned application to the patent in suit, appellees obtained an interest in the patent like unto the interest they had in the abandoned application. They conclude therefore that appellant may not bring this action against them.

They rest their case on the opinion of the Supreme Court in Pope Mfg. Co. v. Gormully & Jeffery Mfg. Co., 36 L. Ed. 423, 144 U. S. 248, and Gayler et al. v. Wilder, 81 U. S. (10 How.) 477 (see Pet. p. 8 and 9).

The basis of this contention is the proposition that cotenants in the title to a patent may not sue each other. While this proposition is not expressly stated, it is implied in the appellees' argument (see Pet. last sentence of 1st [fol. 622] par. p. 9, and p. 13, lines 8-11).

These cases and this contention were raised by the appellees in their Brief on Appeal (see pp. 18-21).

This Court has held squarely against these contentions of appellees (see Opinion, p. 10, last par.)

2. Appellant believes the Court's Opinion to have been justly rendered and well founded in law and is content to rest thereon and on the argument presented in his Briefs on Appeal. It may, however, be pointed out that, as indicating the lack of merit of their petition, appellees appear to be inconsistent in their argument in support of this petition.

Appellees state at page 9 of the Petition:

> "Appellees do not contend before this court that the appellant Hall has forfeited his sole ownership in his goods, i. e., the patent in suit, because of any interest of the appellee B & W, Inc. in and to claims in said patent. This court is not required to determine whether the appellant Hall should or should not retain an interest in the patent in suit. The only question before this court upon this point is whether the inclusion of claims in the patent in suit in which appellee B & W, Inc. has an interest gives the appellee such an interest in the mass, i. e. the patent, as to support the judgment below. * * *"

If appellant is entitled to the sole ownership of this property, then this sole ownership would be inconsistent with any claim of co-tenancy by appellees.

The sole ownership of a patent is the right to exclude everyone from the use of the patented invention.

> Bloomer v. McQuewan, et al., 55 U. S. 539 at 549; 14 L. Ed. 532.

[fol. 623] If appellee B and W, Inc. is a co-tenant in this patent, appellant may not exclude them from the use of the patented invention. What then becomes of appellant's sole ownership and exclusive right? Furthermore, as a co-tenant, appellee B and W, Inc. would have the right to license anyone it wished without the consent of appellant.

> Talbot et al. v. Quaker-State Oil Ref. Co., 104 F. (2d) 967, 968.

Indeed, this is a forfeiture of appellant's exclusive right. However, if appellant has the sole ownership of the prop-

erty and this exclusive right, as is conceded by appellees, the Court must be correct in its original judgment denying to Robinson and appellees as successors to Robinson any interest in the claims in suit.

The decision reveals (p. 9, last 3 lines) that it was the judgment of this Court that Robinson's sole interest in the patent in suit (which issued on the second application) was restricted to royalties to be collected from the California company licensed in the Cosco agreement.

3. While this Court, having found that no forfeiture occurred, had no occasion to consider the questions of estoppel and laches, discussed at pages 48 to 53 of Appellant's Reply Brief on Appeal, these considerations also would support the Court's opinion.

II

Appellees challenge the Court's opinion upon its interpretation and the legal effect of the recitals of the Cosco agreement.

We have argued these issues extensively both in the opening and reply briefs. We believe that this Court [fol. 624] reached a just conclusion well founded in law.

Two points need clarification:

1. The appellees are in error, and this may be typographical only. in their statement of the Court's holdings (see Pet., p. 13, lines 9-12 of the last par.; compare Opinion p. 9, last 3 lines and top page 11).

2. The evidence referred to by the Court in its Opinion, (page 9, last 3 lines) challenged by appellees (see Pet. pp. 16 and 17) was discussed at pages 21 to 27 of Appellant's Reply Brief on Appeal.

It is respectfully submitted that the petition is without merit and should be denied.

Thomas E. Scofield.

Kansas City, Missouri, April 11, 1950.

[fol. 625] In United States Court of Appeals

Order Denying Rehearing—April 20, 1950

[Title omitted]

It is ordered by the Court that the petition for rehearing filed in this cause be, and the same is hereby, denied.

[fol. 626] Clerk's Certificate to foregoing transcript omitted in printing.

[fol. 627] Supreme Court of the United States, October Term, 1949

No. —

[Title omitted]

Stipulation as to Contents of Printed Record

The petitioners and respondent through their respective counsel hereby stipulate, pursuant to the provisions of Rule 38(8) of this court, that the contents of the printed record to be considered by this court in connection with the questions presented by the Petition for a Writ of Certiorari filed by petitioners shall include the following:

1. Copy of the complaint (Appeal Trans. pp. 2-3);
2. Copy of defendants' answer (Appeal Trans. pp. 4-8);
3. Copy of defendants' amendment to answer (Appeal Trans. pp. 9-11);
4. Copy of the following portions of the appeal transcript:

page 17 line 16 through page 19 line 1;
page 27 line 10 through page 27 line 24;
page 76 line 10 through page 82 line 15;
page 91 line 9 through page 92 line 22;
page 100 line 21 through page 105 line 7;

page 122 line 22 through page 124 line 11;
page 348 lines 22 and 23;
[fol. 628] page 453 line 25 through page 459 line 7;
page 523 line 4 through page 531 line 18;

5. Copy of District Court's opinion dated November 5, 1948, including findings and conclusions (Appeal Trans. p. 549 to p. 578);

6. Copy of final judgment (Appeal Trans. p. 578);

7. Copy of supplemental judgment (Appeal Trans. p. 584);

8. Copy of notice of appeal (Appeal Trans. p. 585);

9. Copy of statement of points by appellant (Appeal Trans. p. 587 to p. 591);

10. Copy of minutes of Court of Appeals for the Fifth Circuit dated February 8, 1950 covering argument and submission of the appeal;

11. Copy of opinion of the Court of Appeals for the Fifth Circuit dated March 20, 1950;

12. Copy of judgment of the Court of Appeals for the Fifth Circuit dated March 20, 1950;

13. Copy of petition for a rehearing by appellees filed April 10, 1950;

14. Copy of memorandum in opposition to appellees' petition for a rehearing filed April 12, 1950;

15. Copy of order denying rehearing dated April 20, 1950;

16. Certificate of clerk of the Court of Appeals for the Fifth Circuit covering proceedings in said court.

It is further stipulated that plaintiff's exhibits B, C, D, R, S, T, U, V, W and X, and defendants' exhibits 17, 18, 20, 28, 29, 30, 31 and 32, forming part of the record on appeal before the Court of Appeals for the Fifth Circuit are the only exhibits to be considered by this court in connection with the questions presented by the Petition for the Writ of Certiorari and the clerk of this court is requested in accordance with the rules and proceedings of this court to cause the original exhibits now in the posses-

[fol. 629] sion of the clerk of the Court of Appeals for the Fifth Circuit, or duly certified copies thereof, to be submitted to this court.

Leonard S. Lyon, Reginald E. Caughey, Counsel for Petitioners and Appellees in the Court of Appeals for the Fifth Circuit, 811 West Seventh Street, Los Angeles 17, California; Thomas E. Scofield, Counsel for Respondent and Appellant in the Court of Appeals for the Fifth Circuit, 2600 Fidelity Building, Kansas City, Missouri.

(8451)